TECHNOLOGY DEPT.

In Two Sections Section 1

# The EDISON ELECTRIC INSTITUTE BULLETIN

January 1958

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DETROIT

## Statement on Electric Utility Taxation
*Clifford B. McManus*

## Community Leaders and Freedom
*Edwin Vennard*

## Tomorrow's Management
*Robert T. Person*

## See the Whole Picture
*Robert L. Coe*

## Communications—Internal
*Ruth Phillips Steinhauser*

## Baltimore G&E's Safety Record

*Published Monthly by Edison Electric Institute*

# ELECTRICAL RESEARCH STATISTICS
# THE ELECTRIC LIGHT AND POWER INDUSTRY

*Current Statistical Data Covering 100 Per Cent of Industry*

*(Includes Investor-Owned Companies, Cooperatives, and Government-Owned Utilities)*

*October, 1956-1957*

## SOURCE AND DISPOSAL OF ENERGY—MONTH OF OCTOBER

| | 1957 | 1956 | % |
|---|---|---|---|
| **NET GENERATION* (Kwhrs in Thousands)** | | | |
| By Fuel Burning Plants | 43,115,811 | 41,888,439 | + 2.9 |
| By Water Power Plants | 10,041,385 | 9,241,822 | + 8.7 |
| **Total Generation** | **53,157,196** | **51,130,261** | **+ 4.0** |
| ADD—Net Imports Over International Boundaries | 237,773 | 472,502 | −50.3 |
| Less—Company Use | 147,818 | 127,944 | +15.5 |
| Less—Energy Used by Producer | 1,199,372 | 1,137,852 | + 5.4 |
| **Net Energy for Distribution** | **52,047,779** | **50,336,967** | **+ 3.4** |
| Lost and Unaccounted for | 5,743,729 | 5,601,498 | + 2.5 |
| **Sales to Ultimate Customers** | **46,304,050** | **44,735,469** | **+ 3.5** |

## CLASSIFICATION OF SALES

| | | | |
|---|---|---|---|
| **NUMBER OF CUSTOMERS—As of October 31st** | | | |
| Residential or Domestic | 46,690,716 | 45,493,860 | + 2.6 |
| Rural (Distinct Rural Rates) | 1,643,646 | 1,690,611 | − 2.8 |
| Commercial or Industrial: | | | |
| Small Light and Power | 6,200,054 | 6,135,149 | + 1.1 |
| Large Light and Power | 311,959 | 298,156 | + 4.6 |
| Other Customers | 181,595 | 174,925 | + 3.8 |
| **Total Ultimate Customers** | **55,027,970** | **53,792,701** | **+ 2.3** |
| **KILOWATTHOUR SALES—During Month of October (Kwhrs in Thousands)** | | | |
| Residential or Domestic | 11,493,311 | 10,530,141 | + 9.1 |
| Rural (Distinct Rural Rates) | 908,473 | 935,604 | − 2.9 |
| Commercial or Industrial: | | | |
| Small Light and Power | 7,969,037 | 7,456,777 | + 6.9 |
| Large Light and Power | 24,120,255 | 24,039,215 | + 0.3 |
| Street and Highway Lighting | 456,810 | 427,046 | + 7.0 |
| Other Public Authorities | 988,357 | 941,533 | + 5.0 |
| Railways and Railroads: | | | |
| Street and Interurban Railways | 179,571 | 191,997 | − 6.5 |
| Electrified Railroads | 146,316 | 161,236 | − 9.3 |
| Interdepartmental | 41,920 | 51,920 | −19.3 |
| **Total to Ultimate Customers** | **46,304,050** | **44,735,469** | **+ 3.5** |
| **Revenue from Ultimate Customers (Thousands)** | **$771,174** | **$730,730** | **+ 5.5** |

## RESIDENTIAL OR DOMESTIC SERVICE

| | | | |
|---|---|---|---|
| **AVERAGE CUSTOMER DATA—For 12 months ended October 31, 1957** | | | |
| Kilowatthours per Customer | 3,135 | 2,941 | + 6.6 |
| Average Annual Bill | $80.26 | $76.47 | + 5.0 |
| Revenue per Kilowatthour | 2.56¢ | 2.60¢ | − 1.5 |

* By courtesy of the Federal Power Commission.

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*The objectives of the Edison Electric Institute are:*

The advancement in the public service of the art of producing, transmitting, and distributing electricity and the promotion of scientific research in such field.

The ascertainment and making available to the members and the public of factual information, data, and statistics relating to the electric industry.

To aid its operating company members to generate and sell electric energy at the lowest possible price commensurate with safe and adequate service, giving due regard to the interests of consumer, investor, and employee.

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*January, 1958*

Vol. 26 No. 1

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# CONVENTIONS AND MEETINGS

1958

## FEBRUARY

3- 5 EEI Prime Movers Committee, Penn-Sheraton Hotel, Pittsburgh, Pa.

3- 6 EEI Industrial Electrification Heating Conference, Netherland Hilton Hotel, Cincinnati, Ohio

6- 7 EEI Industrial Power & Heating Group, Netherland Hilton Hotel, Cincinnati, Ohio

6- 7 EEI-AGA 1958 Conference Final Planning Meeting, Benjamin Franklin Hotel, Philadelphia, Pa.

6- 7 Missouri Valley Electric Association Industrial & Commercial Sales Conference, President Hotel, Kansas City, Mo.

6- 7 PEA Winter Meeting Systems Operation Committee, Hotel Roosevelt, Pittsburgh, Pa.

10-11 EEI-AGA Taxation Accounting Meeting, Brown Hotel, Louisville, Ky.

10-11 EEI Commercial Lighting Committee, Hotel Roosevelt, New Orleans, La.

10-11 EEI Electrical Equipment Committee, Dayton Biltmore Hotel, Dayton, Ohio

11-12 EEI Transmission & Distribution Committee, Lord Baltimore Hotel, Baltimore, Md.

13 NARUC Executive Meeting, Statler Hotel, Washington, D. C.

13-14 EEI Electric Space Heating and Air Conditioning Committee, Birmingham, Ala.

13-14 EEI Residential Promotion Committee, EEI Headquarters, NYC

13-14 PEA Relay Committee, Bellevue-Stratford Hotel, Philadelphia, Pa.

17-18 EEI Commercial Cooking and Water Heating Committee, Washington, D. C.

17-19 EEI Meter & Service Committee, Sheraton Hotel, Philadelphia, Pa.

17-19 American Management Association Mid-Winter Personnel Conference, Palmer House, Chicago, Ill.

20-21 14th Annual National Wiring Promotion Conference, Statler Hotel, Detroit, Mich.

27-28 PEA Electrical Equipment Committee, Roosevvelt Hotel, Pittsburgh, Pa.

20-21 PEA Joint Winter Meeting Transmission and Distribution Committee, and System Planning Committee, Penn-Sheraton Hotel, Pittsburgh, Pa.

## MARCH

5 PIP Inter-Regional Committee Meeting, Blackstone Hotel, Chicago, Ill.

6- 7 Pacific Coast Electrical Association Business Development Section, Statler Hotel, Los Angeles, Calif.

12 PIP Steering Committee Meeting, Biltmore Hotel, Room 133, New York City, N. Y.

1958

13-14 Public Utilities Advertising Association Regional Meeting, Montreal, Canada

20 EEI Industrial Relations Committee, Headquarters, New York City

24-27 EEI 24th Annual Sales Conference, Edgewater Beach Hotel, Chicago, Ill.

27-28 Oklahoma Utilities Association Annual Convention, Oklahoma Biltmore Hotel, Oklahoma City, Okla.

27-28 Pacific Coast Electrical Association, Engineering & Operations Section, Sheraton Palace, San Francisco, Calif.

## APRIL

14-16 EEI-AGA 1958 National Conference of Electric and Gas Utility Accountants, Shamrock Hilton Hotel, Houston, Texas

16-18 Missouri Valley Electric Association Engineering Conference, President Hotel & Municipal Auditorium, Kansas City, Mo.

17 EEI Industrial Relations Committee, Headquarters, New York City

23-24 Pacific Coast Electrical Association Administrative Services Section, Hotel Valley Ho, Scottsdale, Ariz.

27-30 EEI Accident Prevention Committee, Commodore Perry Hotel, Toledo, Ohio

28-30 EEI Purchasing and Stores 1958 Annual Meeting, Hotel Nicollet, Minneapolis, Minn.

## MAY

5- 7 EEI Prime Movers Committee, Mark Hopkins Hotel, San Francisco, Calif.

8- 9 EEI Transmission and Distribution Committee, Biltmore Hotel, Los Angeles, Calif.

12-13 EEI Electrical Equipment Committee, Radisson Hotel, Minneapolis, Minn.

12-13 EEI Hydraulic Power Committee, Hacienda Motel, Fresno, Calif.

14-16 Pacific Coast Electrical Association Annual Convention, Hotel del Coronado, Coronado, Calif.

15-16 EEI Industrial Relations Committee, Shreveport, La.

## JUNE

9-11 EEI 26th Annual Convention, Boston, Mass.

## SEPTEMBER

8- 9 EEI-AGA 1958-59 Accounting Division and Section Organization Meeting, Netherland Hilton Hotel, Cincinnati, Ohio

22-24 EEI Meter and Service Committee, Plaza & Driscoll Hotels, Corpus Christi, Texas

Feb. 9-15 National Electrical Week.

*The* EDISON ELECTRIC INSTITUTE
BULLETIN

# Statement on Electric Utility Taxation

*Clifford B. McManus Reports to Committee on Ways and Means, House of Representatives, Washington, D. C., Jan. 3, 1958*

I AM a resident of Atlanta, Georgia. I am Chairman of the Board of The Southern Co. I am also Chairman of the Special Tax Policy Committee of the Edison Electric Institute and in this capacity I am submitting the following statement.

The Edison Electric Institute is the leading trade organization of the electric utility industry and in terms of number of customers served, represents over 95 per cent of the taxpaying electric companies.

### Need for Federal Tax Revenue

The Edison Electric Institute is aware of the gravity of the international situation and the urgent need for Federal tax revenues to meet the defense needs of our country. I want to assure you that the electric companies will do their full part in meeting the emergency. They seek no special consideration or preferential treatment apart from others in the matter of Federal income taxes.

The electric companies believe that it is the duty of all citizens, and of all industries and businesses to carry their full share of the tax burden. This is no time to advocate or practice tax avoidance at the expense of those who support our Federal government.

### One Pays, One Doesn't

Unfortunately, the electric utility industry is divided into two segments; one that pays Federal income taxes and one that does not. In 1956 the utilities that pay Federal income taxes generated 76.42 per cent of the total kilowatthours produced, whereas the utilities that do not pay Federal income taxes generated 23.58 per cent of the total kwhr produced.

A situation where over 20 per cent of an industry is automatically escaping Federal income taxes is a grave discrimination against that portion of the industry and its customers that is providing an important part of the tax revenues of this country.

This situation threatens the very existance of the taxpaying electric utilities since in common with every other corporate business, the electric companies must include the taxes they pay in the charges which they make for their services. They have no other source of funds. In effect, the electric companies are acting as tax collectors and their customers pay the taxes. In reality, it is the customers of the taxpaying electric utilities who are being discriminated against through the workings of this unfair tax situation.

The extent of the tax burden is very great. It is in two parts—the visible tax that appears on the books and the invisible part that does not. I first want to discuss the visible tax burden.

In the year 1956 the electric companies on the average set aside for direct or visible taxes 23.5 cents out of every dollar of electric operating revenue after elimination of intercompany revenue and expenses. Of this amount, 14.4 cents was for Federal taxes and 9.1 cents was for state and local taxes. The dollars set aside for Federal taxes totaled over one billion in 1956 and exceeded this amount in 1957.

I realize you are interested only in Federal taxes, but I hope you will keep in mind the magnitude of the state and local tax burdens, since such taxes are an important factor in determining the rates that our customers must pay.

### Federal Tax Is Large Item

The fact that Federal income taxes are a particularly large item for companies such as the electric utilities, which have to make a heavy investment per dollar of annual revenue, is a matter of serious concern to us. Electric companies on the average require about $4.00 of property to obtain a dollar of annual operating revenue. In addition, the regulatory authorities, Federal, state and local, having jurisdiction over us, together with good business practices, dictate that a substantial part of the taxpaying electric companies' capitalization be in risk or equity capital. They also set our rates of return. Thus the average utility seldom has over 60 per cent of its capitalization in debt and many have much smaller proportions. We are forced to earn enough income after taxes to attract the risk capital required to meet the ever growing needs of the people we serve.

### Earnings Limits Controlled

We must, however, stay within the rates of return set by the commission. All we can earn is fair wages for the money furnished by the investors.

You will get a better idea of the end result of these factors when I tell you that while the electric companies' total sales are less than 1¾ per cent of the total gross sales of all corporations, the electric companies pay over 4 per cent of the corporate income taxes of this country.

Now I want to tell you about just one feature of the invisible part of the tax burden of the electric companies that is of a very serious nature to us.

### Interest, Dividends Taxed

The holders of the securities of the electric companies must pay Federal income taxes on the interest and dividends they receive from the companies. The amount of tax revenue received from this source must be very large, but unfortunately exact figures are not presently available. The utility companies must pay high enough interest and dividend rates to enable them to sell their securities in competition with tax-free bonds marketed by the public bodies in the power business. This income tax component paid by the investor is, of course, included in the rates paid by the customers of the taxpaying electric utilities for electric service.

Federal power projects are in the main financed by appropriations by the Congress and by retained earnings. Although these Federal projects may return to the U. S. Treasury a portion of the money advanced by the Congress, they do not pay any Federal taxes.

State and local political bodies finance in the main with tax-free bonds. There are some two billion dollars of such bonds applicable to the utility operations of state and local bodies. No Federal income taxes are paid on the interest received by the owners of such bonds. Obviously such securities are attractive to people of large means.

### State, Local Taxes

As previously pointed out, 9.1 cents of every dollar of operating revenue collected by the taxpaying electric utilities is paid out in state and local taxes.

Save for a nominal amount in lieu of such taxes paid by TVA and Hoover Dam, Federal power projects pay no state and local taxes.

Some state and local political bodies in the power business, and some rural electric cooperatives, pay taxes or make payment in lieu of state and local taxes, but the average of all payments for both groups is less than 3 cents of each dollar of operating revenue, as compared with 9.1 cents for the taxpaying utilities.

In 1925 about 4½ per cent of the electric energy generated was produced by public bodies. Visible taxes incurred by taxpaying electric utilities in that year took a little more than 9 cents of every dollar of operating revenue.

By 1940 the percentage of electric energy generated by public bodies had jumped to 11.58 per cent. Visible taxes incurred by taxpaying electric utilities that year took 17.7 cents of every dollar of operating revenue.

In 1956 the percentage of electric energy generated by public bodies had again jumped to 23.58 per cent. Visible taxes incurred by taxpaying electric utilities in that year increased to 23.5 cents per dollar of operating revenue.

The non-income taxpaying segment of the electric utility industry has many special privileges besides its freedom from Federal income taxes and its relative freedom from state and local taxes. But the tax advantage is the destructive factor. It is so important that taxpaying businesses find it increasingly difficult to compete with that part of the industry enjoying its benefits.

There are probably many methods by which the Federal government can tax state and local bodies as well as Federal projects, and it seems to us that in view of the need by the Federal government for additional revenue, the existing inequity between the taxes borne by the customers supplied by taxpaying electric utilities and those served by utilities which do not pay taxes, it would be wise for your committee to make a complete study of this situation.

We would like to suggest that it would be appropriate for you to ask your staff to investigate the problems which we have outlined and to report their findings back to your committee.

We will assist you in every way that we can and will put our legal and tax people at the disposal of your staff. In this connection, I understand from lawyers expert in the field of taxation that there is no constitutional obstacle to Federal taxation of Federal power operations. Federal power projects account for more than 70 per cent of the power produced by the non-income tax-paying segment of the industry, a large part of which is supplied to other non-income taxpaying utilities. Substantial relief of this unfair situation can be secured immediately by placing upon these Federal projects the equivalent of the Federal tax burden that is now borne by taxpaying utilities. The taxing of state and local bodies may be a little more complicated, but from our studies we are sure that it can be done and we believe that your committee will arrive at a satisfactory solution to this problem.—*Clifford B. McManus*

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## Second Street Tree Conference Proceedings to Be Available Shortly

VOLUME II of *Our Streets Can Be Beautiful and Useful*, the Proceedings of the Second Street Tree and Utility Conference held in Cleveland, Ohio, last March, is being published and will be available shortly.

The attractively designed volume contains 160 pages, 48 illustrations, with heavyweight, illustrated cover.

The conference was sponsored by Edison Electric Institute, the Illuminating Engineering Society and the National Shade Tree Conference.

The program presented speakers from organizations directly concerned with the solution of tree-wire-lighting problems, and from interested groups, including the American Institute of Planners, the American Society of Landscape Architects, the National Association of Home Builders and the American Association of Nurserymen.

Together the papers present a comprehensive picture of past accomplishments, present efforts and future requirements in the coordination of trees, street lighting and utility services.

The price per individual copy is $2.55, postage paid in the USA. Quantity prices are available upon application to Edison Electric Institute, 420 Lexington Ave., NY 17, NY.

# Community Leaders and Freedom

**By Edwin Vennard**
*Vice President and Managing Director, Edison Electric Institute*

Excerpts from an address before the Atlantic City Chamber of Commerce, Atlantic City, N. J., Jan. 6, 1958

WE have in the modern world today two great systems of ideologies—two separate and distinct ideas as to how men should get along with one another in society. On the one hand, there is the Russian system where the government owns the machinery of production and controls the lives of the individuals. On the other hand, there is the American system where the people as individuals and as free investors own the machinery of production and control their own lives, using limited government to maintain order and fair play.

Fundamentally speaking, there are only two kinds of government. Either the government runs the people or the people run the government. History shows that any compromise between these two positions has been merely a phase in transition—only a temporary situation. Every once in awhile somebody claims to have discovered a new kind of government. Hitler proclaimed a "new order," and we saw how that drifted, fairly quickly, into a situation where the government runs the people.

During the '30's, the American people were going through the unusual ordeal of the great depression. Obviously they needed help, and there is certainly a place for government in such emergencies. However, it appeared that the trend toward government operation of the economy was greater than seemed wise. This trend continued well beyond the emergency caused by the depression.

Did the American people really want the government to operate the economy?

About that time the science of public opinion sampling was coming into its own. It was no longer necessary to guess what people think or what they know or what they believe or what they want. This sampling process was used in a number of surveys. First a measurement was made of the ideology of the American people by asking such questions as those indicated before. These questions were first tested among two control groups, one group being people known by their public utterances to be believers in Socialism or Communism, the other control group being people who were known to believe in free enterprise or freedom.

As might be expected, a high percentage of the control group believing in Socialism answered these questions in the affirmative. "Yes, we believe in government operation of banks, of key industries." On the other hand, a very high percentage of those believing in free enterprise answered these questions in the negative. After the questions had proved their validity on the control groups, they were asked of representative samples of American people. During the late '30's, almost 40 per cent of those asked, answered these questions as did the Socialist control group.

### Why These Beliefs?

Next, this research on public attitude sought to find out why people held these beliefs.

(To the question) "What is the average rate of profit in industry?", the average answer was 25 per cent. "What is a fair profit?" The average answer was 10 per cent. People thought that industry was making two-and-one-half times what was fair.

The fact was that profits were running in the neighborhood of five per cent—or one-half of what people thought was fair and only one-fifth of what they thought was profit.

The next step in the study was to determine the correlation between a person's ideology and his knowledge of facts . . . Survey cards were divided into two groups. (One group for people informed as to the facts of the American economic system, the other group for those uninformed.)

The results were enlightening. In the group well informed, only 25 per cent tended to favor collective ideology while 75 per cent tended to support free enterprise. Among the group of uninformed only 13 per cent favored free enterprise. A whopping 87 per cent of them favored collectivism.

The result offered a clue as to what might be done to prevent our drifting toward a controlled economy under which freedom might be lost: Inform people as to the facts about the American economic system. To see if this idea would work, experiments were conducted in this company and in that one, in this town and in that one and, in some cases, on a statewide basis. . . In every case it was found that when people were informed as to the facts, they tended to change from belief in the philosophy of "government take care of me" to the philosophy under which people take care of themselves and call upon government to do for them only those things which they cannot do for themselves.

As a result of this research, a number of courses were developed, designed to explain simply the facts about the American capitalistic system. It was found unnecessary to say the system is good or bad or criticize any other system. The facts about this system convince most people that it is pretty good, that it produces substantial benefits, both in material value and in human values. The basic aim is to show that the American system works, and the presentation which has been most effective follows this line:

*The American System—Does It Work?*

The test of any system is "Does it work? Does it produce things men want? Does it satisfy human needs?" In America we would add one more, "Does it allow men to live in dignity?"

The reason that any man works is to satisfy his human needs. If he lives alone, his problem is very simple. He must either work or he will die. When men live together in groups, they must work out a pattern for group living. They must learn to respect the rights of others. But

whether working singly or in groups, men must work if they are to live.

How are men motivated to work? Basically, there are only two ways: You can force them to work or you can reward them for working. In America we choose reward. The Russians choose force.

The American system rests on five principles:

1. *Private property:*

The right of a man to own his shoes and his home and his furniture and his appliances; the right of a man to pool his savings with other men to purchase the machinery of production to produce things they and other men want.

2. *Free market:*

The right of a man to buy what he wants from the person who wants to sell; the right to shop around for what one wants; the right to sell one's property for what it will bring from a person who wants to buy it, whether that property is a home, a car, a share of stock, trade goods, or any other property.

3. *Profit and wage incentives:*

In America a man is paid for his physical and mental labor in accordance with what he can produce. A man can shop around, offering his services at the wage he believes he is worth, to those who can use his services at that rate. The more he produces and the more valuable he is, the more he is likely to receive in wages.

In America, a man can make a profit if he can make and sell a useful article suited to the needs of the market.

People are encouraged to save and to invest their money, the reward being the profit or income they will receive on their investment. Without the profit or return on the investment, the individual is not encouraged to save.

4. *Competition:*

Every American is free to enter a trade or business and to compete with anyone else. This gives everyone a chance to show what he can do, and gives everyone an incentive to do his best. If anybody has a better idea or better way to do something, he can try it.

5. *Government regulation, not government operation:*

In America men in government act as regulators to maintain order and fair play. In America the government was not designed to operate business enterprises.

When men in business operate business enterprises and men in government act as regulators, the people have redress from wrong. When men in government act both as operators of business and as regulators, the people have no redress because their appeal is to the same group of men.

Where men rely on themselves for their own personal security and advancement, and are not dependent on the whim of government for their livelihood, they develop an inner strength of character which is hard to destroy.

### American Productivity

Does the American system produce things men want?

Americans are only one-sixteenth of all the people in the world. Our nation occupies only one-nineteenth of all the world's land surface. Yet with this relatively small number of people working on this relatively small land area, our people have racked up this record:

- Americans own 3/5 of all the automobiles in the world.
- Americans own ½ of all the telephones in the world.
- We own ½ of all the world's radios; ⅔ of the world's television sets.
- We consume 3/5 of all the oil produced in the world, ½ of the world's coffee, and 2/5 of the world's electricity.

It has been estimated that American factories produce about half of the world's goods. Our productive might has armed the world twice in great wars; it stands ready to do so again if need be. In the face of a record like this, it cannot be denied that in terms of producing the goods and services man wants, our system works well—far better than any of its competitors. Proof that it can work for other countries, other cultures and other climates, is found in the outstanding success of West Germany, which has adopted a system very much like ours.

Let us compare our productivity with that of the system in use in Russia.

An American factory worker can buy about 6½ suits of clothes with a month's wages; a Russian can buy ½ suit. An American factory worker can buy about eight pairs of shoes with a week's wages; a Russian can buy about ¼ pair of shoes. An American factory worker earns about $16 in an eight-hour day; a Russian's pay for one day would buy about $2.25 worth of goods on the same basis. In city and urban housing, the American occupies 370 square feet, while the Russian occupies only 79 square feet.

In terms of human values as well as in material goods, the American system has produced remarkable results. For example, since 1900 life expectancy in the United States has increased from 47 to 70. People are living longer in America because they are living better and eating better, because we are eliminating drudgery, and because of the great strides in medical science which is not run by the government.

Our infant death rate has dropped 74 per cent since 1915, thanks again to our independent doctors, spurred on to accomplishment by the self-satisfaction that comes only to a free man. A doctor who is forced to perform by his government does not have the same incentive.

The incidence of pneumonia, tuberculosis, diphtheria and typhoid has been substantially reduced since 1900.

One of the great aids to financial security in America is life insurance. A man buys life insurance to take care of his family if anything should happen to him. In 1900 Americans owned $100 of life insurance per person. In 1956 Americans owned $2,560 of life insurance per person.

The record indicates that the productive capacity of free men is greater than that of men who are not free—both in a material sense and in terms of human values.

It is true that in developing and launching the Sputniks, the Russians have shown a competence in the field of missiles. But let us not conclude that they are way ahead when what has happened is that they have concentrated most of their energy on one project.

Our Secretary of State, John Foster Dulles, in an article appearing in *Life* magazine, recently said, "If you divide the Soviet gross national product into halves, you will find that more

than half goes for military purposes and for capital investment and less than half for all consumption, the total consumption of 200 million people. By contrast, two-thirds of the U. S. national product goes for consumption by our 172 million people and only one-third for all other purposes, including defense."

With our much lower percentage expenditure, we are maintaining a respectable defense system. Rather than a bad showing, this would seem to be an excellent showing of our productive strength. Remember that while doing this, we are eating bread, butter, potatoes and meat; we are living in housing excellent by comparison; we are driving our own cars, and, more importantly, living our own lives.

No military man has yet said that even with missiles and nuclear warheads, Russia could win a war.

### How Do We Share Our Wealth?

Some critics of the American system admit that it produces the goods and services men want, but say that workers do not get their share. If true, it is a serious criticism. If not true, we should know it. What are the facts?

Let us imagine that we have a conference table and that we have around it five workers and one owner. Let us take 100 silver dollars, representing all of the national income. We shall give the employees $66. We shall give the owner-stockholders $6. Of this $6, the owner actually gets $3.50 in dividends and allows $2.50 to remain in the business to expand it and buy more machinery.

All income on property—income to landlords, stockholders, bondholders and rent payments to individuals—amounts to only 13 per cent of the national income, as contrasted to 66 per cent going to employees in wages and salaries.

There are not many very wealthy people. After income taxes, 84 per cent of all national income goes to people with income of less than $200 a week. After income taxes, only 7 per cent of the national income goes to people with incomes of more than $20,000 a year. If we shoot all these rich people and take all their income and divide it equally among all the people in the country, each would receive 25 cents a day.

All corporation profits average about 4 per cent on sales for the past 28 years. During the last three years profits on sales have been running between 3 and 4 per cent. Average profit is four cents out of a dollar of sales.

A 28-year study of government records of all corporations indicates that about 70 per cent of the income of corporations is spent on operating expenses, such as replacement, material, supplies, rent, heat, taxes, and the like. Of the balance available for employees and owners, employees get 87 per cent and owners 13 per cent.

### How Did America Get So Rich?

How did America become the richest nation on earth? Herein lies the secret—a secret that can be shared with all men everywhere if they are willing to listen and if they will examine the record:

Most people in the world today use muscle power or animal power to get their work done. In America, 98 per cent of all our work is done by machinery. With the electrically driven machine, the average American factory worker has working for him the equivalent of 298 helpers. Naturally, he can produce more than he could with his two bare hands.

In America during the past 100 years the national income per manhour worked has risen directly in proportion to the increase in horsepower-hours per manhour worked. In other words, the more machinery a man has at his disposal, the more he can earn in real income. That fact alone discloses that Marx was wrong. Marx thought that an increase in the use of machinery would hurt the workers. The reverse has happened. The more machinery the worker has, the more money he makes and the more he can buy with that money.

How did we get so much machinery in America? We do it by encouraging individual Americans to save so they can invest their savings in companies that produce things that men want. We encourage men to save by paying them interest or return on their money. You may call that a profit, and so it is but it is the profit system which encourages men to save and to invest so they can have more and so they can produce more. That is capitalism and the record proves that it works far better than a system of forced labor.

Telling the story of capitalism in this way gets results; we know this from measurement. It is effective in employee information programs, in booklets, as a talk, or in a filmstrip. But whether this presentation or any other is used, it is important that the American people know the facts about, and understand the workings of, our economic system.

Why is it important for Americans to know these facts? It is important first because we are dealing with the principal issue of our time. We ought to know why our sons are called upon to give part of their time in training for the defense of their country. These men and their families are entitled to know about the ideals for which we stand.

### We Must Keep Ourselves Informed

It is important that we keep ourselves informed lest we here in America may gravitate unwittingly to some kind of a system, perhaps not Communism by name, but nevertheless a system where the government operates more and more of the economy until finally it operates all of it. If that is allowed to happen here in America, you and I will have lost our freedom just as surely as we would lose it if the Communists took over either by means of outside force or by means of acting from within.

Historians tell us that more often than not a democracy changes to a dictatorship or a totalitarian state, not by conquest from the outside but by vote of the people or by voluntary action of the people within the country. This was the case in Germany and Italy.

England almost made the change. Just after World War II the British people in a free election threw out of office Winston Churchill, one of the greatest statesmen of our time. The British people voted in favor of Socialism, meaning government operation of the principal industries and principal means of production. Since then, the British have partially turned back to the kind of a system where individual freedom can exist.

This same sort of thing can happen here unless we are vigilant to keep it from happening. It can happen here if Americans call upon their government to do for them those things which men can and should do for themselves. President Eisenhower has

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# HOUSEPOWER Provides Aids for $100,000 Contest

ADVERTISING and promotion aids to help utilities and trade allies in EEI's 1958 HOUSEPOWER $100,000 cartoon caption contest are now available at the HOUSEPOWER Program headquarters in New York.

The kit, containing broadsides, counter displays, suggested newspaper advertising, local ideas and lead helps for contractors, ad reprints, contest rules and entry blank mats, price lists and other materials, have been mailed to residential sales managers, promotion managers, communications chiefs of electric utilities companies, state electrical associations, consumer and trade magazines and others.

**Contest Opens Feb. 1**

The contest will kick off Feb. 1 in time for National Electrical Week, and it will continue through April. It will be supported through HOUSEPOWER advertisements in *Saturday Evening Post, Better Homes & Gardens, Sunset* magazine and the *Living* magazine annual.

E. O. George, Chairman of the EEI Wiring Promotion Committee, said the objectives of the contest are:

1. To stimulate and encourage readership of the HOUSEPOWER message, thus educating the consumer on the various aspects of HOUSEPOWER.
2. To spur the consumer to take a specific action.
3. To provide usable and practical leads for local followup.
4. To offer a flexible promotion idea that can be adapted easily in all local areas and incorporated in any local program.

**Grand Prize is $5,000**

The Grand Prize in the contest is $5,000 in cash, and other cash prizes totaling an additional $5,000 will be given, as well as $90,000 worth of electrical appliances, contributed by cooperating manufacturers.

Appliance prizes will include dishwashers, deluxe and medium-priced electric ranges, combination refrigerator-freezers, automatic clothes washers, television sets, pressure cookers, room air conditioners, electric ironers, electric clothes dryers, room heat pump air conditioners, electric water heaters, electric incinerators, vacuum cleaners, portable electric space heaters, electric mixers, electric coffee makers, electric blankets, electric shavers, automatic toasters, electric steam irons, electric fry pans, electric meat grinders and knife sharpeners.

Contestants in the EEI HOUSEPOWER $100,000 contest which kicks off Feb. 9 will provide a caption for this cartoon. First prize is $5,000 in cash.

Manufacturers have contributed the following brand name appliances as contest prizes: ABC, Blackstone, Chrysler Airtemp, Clark, Cory, Dormeyer, Easy, Eureka-Williams, Fedders-Quigan, Frigidaire, General Electric, Hamilton Beach, Hobart, Hotpoint, Ironite, Kelvinator, Maytag, Norge, Philco, Presto, Proctor, RCA Whirlpool, Sylvania, Sunbeam, Thermador, Toastmaster, Waste King, Wesix, Westinghouse, York and Youngstown.

The contest official entry blank is printed in two sections—one for the cartoon caption, the contestant's name, address and utility company, and the other for individual HOUSEPOWER information about the contestant's home. This second section is intended to provide leads for local contractors.

Mr. George said the benefits of this contest "can be limitless" and that its objectives "tie right into our basic long-range objectives for the 1958 HOUSEPOWER program."

The kit contains suggestions for tie-in opportunities for local promotion. It offers suggestions for newspaper, television and radio advertising, publicity, give-aways and postage

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# Tomorrow's Management

**By Robert T. Person**
*Vice President, Public Service Co. of Colorado*

An address before the Rocky Mountain Electrical League Convention, Colorado Springs, Colo., Oct. 14, 1957

OBVIOUSLY, the subject of "Management" today, tomorrow or any other time is a very broad topic and one which has many, many ramifications. It might be discussed in terms of the specific local or national problems, the people, and how we are to recruit them, what are we doing about engineers, accountants, economists, business administrators, and all of the skilled and semi-skilled requirements which must be satisfied if our business is to continue to progress and prosper and meet its obligations.

I want to think out loud with you on the problem of filling our manpower pipe lines and once this raw material is introduced into the organization, what are we doing to develop it?

### Management Material Need

I am sure it is obvious to all of us that the question of developing management material at all levels is one that is occupying a great deal of time, study and attention in all types of business.

A survey conducted by *Nation's Business* in September, 1957, among 335 top management people across the country, concerning management's most pressing problems, produced the following results: The No. 1 problem expressed by these executives was lack of time to do the planning and creative thinking they felt should be devoted to the interests of their business operations. No. 2 was the question of recruiting, training and developing management personnel. I think it is significant that these questions were at the top of the list, because it seems to me they're related.

So, I am sure, you will agree that it is important for all of us to go through a process of honest self-analysis of our organizations to see how we are meeting and coping with the problem of insuring the fulfillment of our manpower needs with material of sufficient caliber and stature to meet all of our future requirements.

In order to properly evaluate this question as it pertains to our business, I think it is necessary that we take a quick look back at our history. As I do this, I am mindful of something that Mr. Kettering of General Motors once said, "Too many times we look back into history instead of backing into history and looking forward. If we drove a car like we view history, we'd have the steering wheel pointed toward the rear window to see where we had been rather than where we are going." So, let's detach ourselves from today's problems and go back into history and look forward.

It was a comparatively few years ago, in 1879 to be exact, that Thomas Edison gave birth to the commercial use of our product. Since that time, our industry has grown from its humble beginning filled with doubt to its present position in which it has become an economic necessity and plays a vital part in the personal and business life of every citizen of the United States.

Because the electric power industry was a new industry, it naturally attracted the creative, visionary, aggressive and adventuresome personalities who contributed so much to its progress.

As the business grew and became more complex and filled with ever-increasing responsibility, these men and their successors were naturally rugged individualists and men of great wisdom.

### High-Caliber Men Attracted

The normal attractions of this pioneering business, coupled with the times, attracted men of high caliber and stature to mold and develop it into its present position. It met the challenges which normally accompanied its early growth and progressed along with other business through the heyday of the roaring twenties.

Suddenly we faced the depression years during which the philosophy was "make it do," . . . "get by the best we can with what we have." These were the years during which our business was the target of the political demagogue, and the concentrated advocacy of public ownership ran rampant. We faced a hostile national administration and punitive regulation was the order of the day.

Immediately following the stagnant depression years, our nation was faced with a great world conflict. Like other business, it was a time when we were confronted with numerous restrictions together with material and manpower shortages. All of our efforts and all of our ingenuity were devoted to the job of producing the materials of war. Our attention was focused fully and completely on that important objective.

### Expansion Period

Then followed the post-war years of ever-accelerating expansion during which our economy grew and developed to heights which a few years back would have been beyond our most imaginative dreams. It has been a comparatively few years since those who where projecting the future of our business astounded us with the prediction that, in the years to come, electric generating capacity and related facilities would be doubled each 10 years because of the wide and diverse use to which our product was being put. While that seemed a little fantastic at the time, our prognosticators are now telling us that the electric utility industry will double its capacity on an approximate six-year cycle.

Our industry as a whole has met these problems successfully in the past, even though they sometimes seemed almost unsurmountable. The ingenuity, dedication, knowhow, brains and ability seemed to filter to the top at all levels of management, and our organizations met these to a greater or a lesser degree as time went on. However, as these problems were solved new ones took their place. I would like to name just a few of the

broad areas in which we will be confronted with a need for the same wisdom and knowhow to meet the challenges of the future.

We have the complex problems of regulation and the ever-dwindling rate of return as it applies to regulatory philosophy. We have the problem of selling the Commission on the idea that the rate of return of yesterday will not meet our needs of tomorrow. This coupled with the increasing cost of money, the costs of constructing and maintaining the generating capacity and other plant requirements to fulfill our service obligations will always be one of the important problems.

### New Field Opened

In just three short years a whole new field has been opened up, one in which we must meet the challenges of a new and almost incomprehensible source of energy . . . that of nuclear power. While this is in the birth stages today and only in swaddling clothes, we might say, this is a challenge that we must face and we must have the ability and the knowhow within our organizations to successfully meet it.

The new concepts of transmission embracing ultra-high voltage at high altitudes will tax the ingenuity of our engineering brains and when successfully accomplished, which I am sure it will be, means that we will have a higher degree of flexibility insofar as marketing our power regardless of the location of the generating source.

### Public Relations Problem

The public relations problems at the local, state, regional and national levels will require clear minds and well trained people to communicate with our various publics, both internal and external, the facts concerning the operation of our business and the investor-owned concept as it applies to the utility industry.

These efforts must also bring the public to a point of sympathetic understanding of our viewpoints on matters of tax inequality, TVA, private development of atomic energy, the propriety of private development of major dam sites for hydro-electric generation, the socialistic aspects of public power, and the desire and soundness of our industry living and working with the REAs genuinely interested in their service opportunities rather than using the REA organization to foster political philosophies.

We might go on indefinitely enumerating the interesting questions which will be a challenge to the individual and collective intellect and abilities of our organizations now and as future years unfold. These are important because they point up just a few of the reasons why we must constantly strive to develop our manpower to handle these questions, and handle them we must if we are to continue the operation of the investor-owned electric utility business as we know it today.

These challenges are important for another reason, because certainly they are new, they are unique and they are different. The wide variety of interesting problems which must be solved should serve as a challenge to the young people who are entering our organizations. We see poll after poll wherein college graduates of today rank the utility industry low as compared with other industries as an attraction to them in selecting their life's work. The college trained man of today wants more than stability and security. He wants opportunity for advancement, interesting work, fair wages, and assignments which stimulate and tax his intellect.

This simply means that we must do a better and more efficient job of selling our industry as it is today and will be in the future in order to attract these people into our respective companies.

Certainly the material and the challenge are there and never has there been greater opportunity for progress and advancement. All of these factors which should be attractive to young people embarking upon their careers lie within the scope of today and tomorrow's utility operations. Unless we use all our ingenuity to attract men of high caliber, certainly we will not be filling the personnel reservoir with human resources which will match the quality of leadership that has been typical of our industry.

Assuming we have and are recruiting the necessary raw material, let's examine a few facts as to where this material is coming from.

In the heat of meeting our immediate requirements, have we realized that while our economy and our industry have been growing at phenomenal rates, our supply of young recruits at all levels for all jobs for the past five years and for the next five years are depression babies? Small wonder that we are in a highly competitive recruiting market when we realize that between 1915 and 1935 the birth rate declined over 32 per cent, and it was not until 1940 that it began to rise materially.

### A Matter of Statistics

When we superimpose this statistical fact on top of the stagnant years of the 30's (from a growth and employment viewpoint), followed by the war years in which our energies and the young manpower were diverted to the needs and requirements of World War II, the need becomes apparent that we must use all the ingenuity at our command to recruit, develop, train, mold, encourage and evaluate our manpower just as we have developed our knowhow technologically in the more tangible, mechanical aspects of our business.

Now let's look at another result of the explosive growth in our economy from the post-war years up to the present and predicted for the future.

As our organizations grew, our positions became more highly specialized. The engineers, economists, accountants, service personnel, business administrators, and even our skilled and semi-skilled working forces are confined to limited areas of our operations.

### Age of Specialty

This is the age of specialty and this is as it should be, because it contributes to the efficiency of our operations and thereby makes it possible for us to fulfill and meet our service responsibilities at the lowest possible cost.

Contrast this to our operation of 15, 20 or 30 years ago when jobs were more general in scope. Between the competition for jobs acting as a spur for self-improvement and the opportunity for broader participation in many operations of the company, supervisory development and management training were semi-automatic.

In addition to being an age of specialization, we are now and will continue to be operating in an atmosphere of extreme need for scientific training

of all kinds. This in no way discounts the need for accountants, business administrators and the other specialists which make up a well integrated and balanced organization.

There are, however, some danger signals which will affect our future supply in the engineering and other scientific manpower supply market. From 1948 through 1955 the number of engineering graduates showed a steady decline. During the same period, Russia showed a substantial comparative increase. Beyond the obvious international implications, it points up our responsibility to aid in encouraging young people to enter this field of study.

To continue to pursue policies of promotion from within and to avoid the costly process of having to compete in the open market for trained management personnel at all levels, well organized training and development programs are a "must." This is not just a problem of large companies, it is one for the smaller companies, the distributors, the manufacturers, the engineering and construction firms, and the whole broad field of the utility industry and those who are allied with it. It is also not just the responsibility of the president or the manager. The department head, the supervisor, the top executive . . . all have the job of discovering and developing, evaluating and recommending the training necessary for the development of the talent that may fall under their supervision.

### Proper Placement Task

The fitting of the right person into the right slot is a big job, and combined with spotting the need for rounded out individual development and providing the vehicle for its achievement, requires perhaps the finest of management and supervisory skill. The president of the American Management Association, Lawrence Appley, once said:

"The most important skills the manager must have are those of human relations. The vital question to ask about an executive is not 'What can he do?' but 'How does he get along with other people and is he able to get other people to do things?' There is more to be known about how to get engineers to produce than there is about how to produce as an engineer; about how to get salesmen to sell than there is about how to sell; about how to get people to handle the finances of a business successfully than about how to handle the financial problems themselves. While the utility executive is in the business of producing power; the banker, in the business of finance; the store manager, in the business of selling merchandise—they are all in the business of people."

### Questions and Reasons

I have made an attempt to touch upon just a few of the many questions of management and supervisory training. Also some of the reasons for their origin and the acknowledgment of their future importance. I am sure we'd all agree that tomorrow's management is not a problem which can be settled by a simple 1, 2, 3 formula that would apply to all of our organizations, but we might agree on several general guide posts as objectives for a successful program. I would suggest the following:

1. Aggressive recruiting in all categories to assure men of sufficient caliber to meet our needs.
2. Constant evaluation of our organizations so that an accurate personnel inventory will factually and objectively reveal the specific training needs of our organization.
3. Provide the leadership and management training vehicles to meet these needs. First through internal training programs and, secondly, through the generalized academic areas available either by correspondence or residence instruction.
4. Keep your supervisory forces well informed at all times, assign them ever-increasing responsibility and allow them to participate in and carry out policy decisions.
5. Encourage them to participate in community affairs and recognize their achievement in this field. By so doing they will not only broaden and improve their own abilities in the human relations field, but they will also make a material contribution to your corporate public relations.
6. Last but not least, do not overlook training opportunities in the nebulous areas of the humanities —such as human relations, public speaking, philosophy and the fine arts. While we might disagree on the degree of importance the liberal arts play in decision making and administration, I'm sure we'd all agree they are a factor in broadening the viewpoint of the so-called well-rounded executive personality.

It is the mixing of all these ingredients in proper proportion to fit your individual organization that will spell success in personnel development. I have purposely dealt in broad generalities here today because I realize, and I'm sure you do, there is a wide variation in our individual needs in this field. I am convinced, however, that the subject deserves top priority for management attention.

The story has been told of Michelangelo strolling through a back street in Florence with a friend. He stopped to examine a block of marble half buried with dirt and rubbish. He cleared away the debris and lifted it from the mire. Surprised, his companion asked what he wanted with such a worthless piece of rock.

"Oh, there's an angel in that stone and I must bring it out," was Michelangelo's famous reply. He brought the piece of marble to his studio. Patiently and lovingly he worked on it and finally brought out the hidden glory that was to inspire others for ages to come.

Each of us has an opportunity to be a Michelangelo in the molding and developing of tomorrow's business leadership, and it will require equal thought, dedication and ability to fulfill our needs in this field.

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## 19th Reddy Contest

THE 19th Reddy Kilowatt Annual Report Contest has been announced by Ashton B. Collins, president, Reddy Kilowatt, Inc., 50 Church St., New York.

The competition is open to all business-managed power and light companies and includes combination companies. All entries must be received on or before May 9. Awards will be made on June 9 at the Statler Hotel, Boston, preceding the opening of the EEI convention.

Electric utility companies should send seven copies of their annual report to Reddy Kilowatt, Inc.

# Extensive Celebration Scheduled for National Electrical Week

REPORTS from individual companies and local committees indicate that the Feb. 9-15 observance of National Electrical Week this year will considerably exceed, in level of activity and impact, the observance of a year ago.

Already, the national committee has received activity reports from well over 300 companies in the industry, as well as from local and regional NEW committees, describing plans for special educational and sales programs during the Week and for strong support of the observance in national radio, television, and publication advertising.

### 50 Advertisers Cooperate

The national advertising picture is still far from complete, according to national NEW committee chairman Merrill E. Skinner, vice president and director of sales for Union Electric Co., St. Louis. More than 50 major advertisers have assured the committee of their general plans to support the observance, but many have not yet reported specific details.

Here are reports to date from just a few of the companies who plan NEW programs. In each case, the companies have informed the NEW committee that their plans are incomplete.

Westinghouse Electric Corp. will devote all of its "Studio One" network television commercial time to NEW on Monday, Feb. 10. It will publish a "National Electrical Week Report" as a four-page gatefold advertisement in the Feb. 10 issue of *Time* magazine and another NEW ad in the Feb. 10 issue of *Home Furnishings Daily*. Saturation programs of NEW tie-ins and announcements will be featured on all WBC radio and television stations.

NEW will be the keynote of the nationwide "General Electric Theater" television program on Feb. 9 and also will be given commercial time on the Arthur Godfrey network radio program of Feb. 10, sponsored by GE's Lamp Division. The Housewares and Radio Receiver Division of GE is featuring NEW in its dealer publication and has purchased space for a special NEW ad in the Building Manual of *Living for Young Homemakers*.

Allis-Chalmers Manufacturing Co. is planning a four-color *Saturday Evening Post* spread for the observance and will feature NEW on the Feb. 8 National Farm & Home Hour, on regional and local radio programs it sponsors, and in trade publication advertising.

A-C, GE, Westinghouse, Hotpoint, Live Better Electrically, the Electric Companies Advertising Program, Reddy Kilowatt, Waring Products, Frigidaire, Whirlpool, and a number of other companies all have produced special NEW materials or mailings for wide distribution throughout the industry.

The Reynolds Metals Co.—one of a number of companies in allied industries that plan to salute the electrical industry during NEW—will devote its commercial time to the observance on its Feb. 5 or 12 network "Disneyland" television program.

McGraw-Edison has scheduled full-page NEW ads in *Time* and *U. S. News and World Report* magazines, and both the Live Better Electrically and HOUSEPOWER programs include special NEW advertising.

"Those are just examples of the nationwide spotlight that will be on the electrical industry during our annual NEW observance," Mr. Skinner said. "It will give the strongest kind of support for all the regional and local NEW activities from coast to coast."

Reports from the field indicate a wide variety of local NEW programs —in the areas of electrical safety and adequate wiring, general community and plant-town public relations, and sales promotion.

An inter-industry Edison birthday luncheon will be held in the Astor ballroom in New York City on Feb. 11. A nationwide NEW program also is being sponsored throughout Canada by member associations of the Canadian Electrical Council.

Sponsors of NEW include: Air-Conditioning and Refrigeration Institute, American Home Lighting Institute, Edison Electric Institute, International Association of Electrical Inspectors, International Association of Electrical Leagues, International Brotherhood of Electrical Workers, National Appliance and Radio-TV Dealers Association, National Association of Electrical Distributors, National Electrical Contractors Association, National Electrical Manufacturers Association, and the National Industrial Service Association. The observance is endorsed by 15 other leading trade and professional societies.

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## HOUSEPOWER Provides Aids for Contest

(*Continued from page* 8)

meter imprints, and other tips. It gives basic ideas for wiring salesmen contests, non-selling employee sweepstakes contests, consumer contests, guess-the-cost contests, guess-the-wiring-cost contests, and customer photo contests.

Also available to help in the promotion is a new color sound film produced by Westinghouse Corp. and telling the complete story of full HOUSEPOWER. The 16-mm film runs 27 minutes and features motion picture stars Eddie Albert, Marjorie Reynolds and Bobby Driscoll.

Under the title "A Family Affair," the film tells an appealing, humorous story of the trials and tribulations of Bill Pilgrim and his long-suffering family.

Richard Manville Research, Inc., will judge the entries. The 1956 HOUSEPOWER contest produced over 315,000 entries. This year's contest is expected to attract even more contestants.

Information and prices of all the promotional aids, including the sound film, are available from HOUSEPOWER Program, Edison Electric Institute, 420 Lexington Ave., New York 17, N. Y.

# See the Whole Picture

**By Robert L. Coe**

*Residential Sales Manager, Union Electric Co.*

An address before the Live Better Electrically Women's Conference
Chicago, Ill., Jan. 9, 1958

THE centuries old Chinese proverb "A picture is worth a thousand words" is just as valid today as it has ever been.

Seeing the whole physical picture is sometimes easy. But to see the many parts and their inter-relationships is far more difficult. It requires a conscious and continuing effort to maintain focus in the mind's eye. Physical close viewing over a period of time produces an eye deficiency known as myopia—nearsightedness. Perhaps we sometimes suffer from business myopia which tends to restrain and retard us from achieving maximum results.

### Basic Purpose of Utility

In gaining a clearer understanding of what we mean by this whole picture, it is proper that we start with a review of the basic purpose of our companies. It may be stated in many ways, but let's see if this isn't close to our real objectives:

Our mission is to render a high quality of electric service efficiently and at a price consistent with paying fair wages to our employes; providing modern facilities for our customers' expanding requirements for electric service; and paying a fair return to our investors.

This is not new; you've heard similar statements before, but is it consciously present in our mental picture of our whole job?

What are the purposes and functions of the Sales Department? Simply stated, the function is to build load. But this is not enough—this is the narrow myopic impression. Wouldn't the broader view of this sales responsibility be: To produce profitable sales to assure maximum earnings of our companies?

This requires a broader more intimate knowledge of the operating conditions that exist in the territories served by our companies. In your various activities, you promote the sale of a host of electrical appliances and devices. Some of you promote ranges, water heaters and lighting—others promote freezers, clothes dryers and electrical housewares. Do you know why you promote or do not promote certain appliances and equipment? Sure, you've heard about residential peaks and load balancing before, but do you know and understand how each appliance benefits your specific company? It is important that we consciously and continuously understand our opportunities if we are to "assure maximum earnings of our companies."

Years ago all companies' peaks occurred in the late afternoon or evening of the darker winter months because our load was principally lighting.

In recent years the tremendous growth of refrigeration has switched many companies' peaks to the middle afternoon of the summer months. Therefore lighting and some appliances that created winter peaks now are off peak or fill the valleys of off peak use for companies who have maximum demands during the day in summer.

And it is estimated that within our business lifetime nearly every electric utility in America will have a summer daytime peak. This is our great opportunity as residential sales people because nearly every residential use of electricity is off peak for a summer daytime peak company.

### Speculating on Load Increase

It has been estimated that just 20 kwhr per month added off-peak to the load of each residential customer would produce a 1 per cent improvement in load factor and that this 1 per cent improvement in load factor might produce as much improvement in net income as a 10 per cent increase in rates. The home service director and her sales associates in daytime peak companies can directly affect the earnings of her company. Management must look to you for increased profits. You are the most important group of employees in your company today—but only if you literally see the whole picture—eliminate myopia.

You are a vital part of the residential promotion team in moving our customers up the ladder of electrical living. We are not here to review past accomplishments, but to evaluate the fabulous opportunities and challenges of the future—of discussing and investigating better ways and means of fulfilling your sales function—of recognizing our imperfect nature but our ever-increasing desire to strive toward perfection.

### More Viewing Space

The mental viewing space required for our *whole* picture requires more and more room. There are so many things to be considered. In addition to her knowledge of current trends in homemaking and mass education techniques, a top-notch home service director knows and understands the plans, programs and activities of the electrical industry—activities of other groups or sections of her company's residential sales team; programs and plans of other EEI committees; the programs and activities of appliance manufacturers and related organizations; the assistance available through women's magazines as well as industry publications, a knowledge of specific industry sponsored programs. There are several that warrant special consideration.

The EEI promotional calendar is designed to provide industry-wide coordination in promoting specific appliances during specific periods of the year. By concerted and concurrent efforts of utilities, manufacturers, distributors, dealers aided by trade publications, women's and shelter magazines maximum results

may be attained. The calendar indicates the appliance (range, water heater, clothes dryer, etc.), or activity (National Electrical Week, HOUSEPOWER) to be promoted, the time of each campaign period and a central theme. Edison Electric Institute provides the leadership in this program. The benefits derived by utilities from these coordinated programs can never be fully evaluated. It is many times the cost in time and materials. Are your Home Service activities planned to tie in with the timing of these coordinated national efforts? If your answer is no—I suggest you get your shoulder behind the wheel because your participation will probably favorably affect your company's net profit.

### Consumer Magazines Assist

We will be forever indebted to the consumer magazines for their assistance. They keep abreast of consumer habits, trends and preferences. Magazine editors and writers are constantly seeking consumer attitudes — forecasting and interpreting trends. Their information will help bring your own programs in tune with the times—to capitalize on trends. Their information, their illustrations lend authority to your presentations. Consider and use their ideas. They will help you do a better job, and your use encourages the magazines to even greater help.

We mentioned the desirability of an up-to-date knowledge and consideration of industry sponsored programs. You have seen the meteoric rise of the Live Better Electrically program—the ever-increasing participation by all segments of the electrical industry. The Live Better Electrically Women's Conference is one of the very important outgrowths of the LBE idea.

### Calendar, Advertising Coordinated

LBE's big spring advertising campaign is scheduled to start next month in the national magazines and on TV. LBE's national advertising will be coordinated with our EEI Residential Promotion Calendar so that greatest emphasis will be placed on the appliance the whole industry will be promoting. New motion pictures, a great variety of merchandising aids and suggested programs will be available through LBE and are produced to support the overall effort.

The new Medallion Home Program will be publicized in February. This program aims to raise the electrical content of new homes above present minimums; help builders sell more homes; and expose millions of visitors to new homes and to the electrical living features. Is it fair to ask—What are your plans to support and implement these programs?

Our whole picture could not be complete without a peek through the curtains of the future. I'll just repeat what others say. There is fairly general agreement that 1958 will not see a great increase in business activity. However, there is almost universal agreement that 1958 will be one of intense competition among all industries for the consumers' income. This will require greater and even more effective efforts by all of us. 1958 will be as good a year as we make it—and if we really apply our best efforts we can blast off into a future of unprecedented business opportunity.

You have been exposed to some of the rosy predictions for the future. The dynamic pressures for expansion in our economy result from the growth, changing composition and great income of our population. There will be great opportunities in the future—but they will remain only opportunities until someone uses his brains to exploit them.

Our population grew from 132.5 million in 1940 to over 170 million today. If the present rate of growth continues, it should reach almost 200 million by 1966 — an increase of 30 million—the present population of 24 of our 48 states! Starting in 1960 there will be a rapid increase in the number reaching 18 years of age (war babies) indicating a record growth in the following years in new family formations and births. By 1966, there will be almost eight million more families than at present. Not only more families, but they will be larger . . . third, fourth and fifth children in the family.

It is easy to visualize a housing boom for the sixties. Well over one milion new families will be formed each year and with 50 per cent of the existing homes over 30 years old, large scale modernization will be undertaken.

We have seen regional shifts of population. Our customers are on the move. 156 million changed their residence in a five year period 1950-1955. We have seen the change to suburban living. Whole new communities seem to spring up over night. We are witnessing the trend to greater numbers of married women joining industry's labor force. We have recognized that our people are becoming better educated and better informed.

### Projections

Based upon the population growth and year to year increase in per capita productivity, our Gross National Product should reach nearly $600 billion by 1966. Consumers' discretionary income will boom— increasing approximately $107 billion or 70 per cent in the same 10 year period. It is this discretionary spending power above the basic living costs for food, clothing and shelter that makes a higher standard of living possible. Here lies the opportunity to place electrical living high on the list of our customers' desires.

Furthermore, the changed distribution of national income will continue. Surveys have shown that persons whose annual income is $5,000 or over are more likely to purchase major household equipment. In 1956, 43.5 per cent of the households had incomes of $5,000 or more. By 1966, almost 60 per cent of the families will be in this income classification. To sum it up, before the end of the next decade we will have 30 million more people; 8 million more families; 10 million more new homes; 6 million more employed women; $107 billion more discretionary income. There will be more families to sell who will have more money to spend.

### Technological Advances Foreseen

There will be technological advances too—the results of research and development. In the past five years we have spent more money on research than we did in the previous 20. Like sales promotional expenditures, there is usually a lag before the benefits of expenditures for re-

(*Continued on page* 26)

# Communications — Internal

**By Ruth Phillips Steinhauser**

*Director, Public Relations, Community Public Service Co., Fort Worth, Texas*

An address before the Live Better Electrically Women's Conference, Chicago, Ill., Jan. 9, 1958

SOME years ago, when I first began my career in the electric business, I recall exclaiming with considerable heat and frustration: "Oh, if we could only devote all our time and energy and wits to selling the customer and the public our ideas, our products and our service, instead of having to spend half our time and energy selling them to the Boss and to others within our own organization!"

### Inside Selling Important

That was a long time ago when I was young and inexperienced in business, and bursting with energy and enthusiasm, as well as ideas which just couldn't wait to be carried out. I soon learned, of course, that the telling and selling which we do *within the organization* of which we are a part is not only as important as what we do *outside the organization*, but that *it must come first*.

Management and our co-workers must be kept informed about what we are doing and why, and their interest and support enlisted. This is laying the ground work, building the foundation. If this foundation isn't staunchly laid before we build the superstructure, the whole edifice is likely to be shaky, if it doesn't actually come tumbling down.

### Communication Comes of Age

In those long-ago days when I first started in business, the word "communications" hadn't become as fashionable as it is today. It was a comparatively few years ago that management fully realized how important it is for all members of a business organization to be fully informed. Then we began to hear the word "communcations" on every hand, to read it in every business publication we picked up. One well known business writer recently stated in an article: "Next to your technical knowledge and your ability to supervise, *communication* is probably the most important factor in all your work."

To communicate means to impart or make known but it also has a more subtle meaning. It is derived from the Latin verb *communico*, which means also to share something in common with someone else.

In home service work, in carrying out the day-to-day program of telling the story of electrical living, it is vital to the success of our efforts for our management and co-workers to understand what we are attempting to do and how we are attempting to do it. That is, if they are going to share the interest and enthusiasm and give their aid and backing!

It is so easy to assume that others see a picture in the same way we see it. 'Taint necessarily so! I am afraid some of our co-workers in the electric industry think that home service is just like parsley around the steak—a pleasant extra but hardly essential. Others may have an even more unflattering concept.

I have never forgotten a story told some years ago by Jean McDougal, then a Hotpoint Institute home economist. She said she had finished a three-day cooking school and was backstage packing her trunk when she looked up and saw a strange woman watching her. Jean asked, "May I help you?" The woman replied: "I wanted to ask you about my daughter. She's got to get a job. She isn't smart enough to teach and she isn't strong enough to clerk in a store. So I thought maybe she could do the kind of work you're doing."

I wonder if there could be others who have such an unflattering and distorted concept of the work of a home economist?

One of the finest and best informed utility executives I know once said to me, "I don't see why it is necessary for homemakers to have so much help with the correct use and operation of their electric appliances. Isn't there an instruction book with each appliance that tells how to use it?"

I tried to tell that gentleman how, instruction book or no instruction book, the home service girls find many women who don't know the automatic timer clock on their electric range is also a kitchen time piece, that many women have an electric range for years without learning how to set and use the automatic timer, that women complain the broiler won't broil steaks properly when it isn't even set for broiling; and a few other commonplace situations all home service advisers run into every day. I don't know how well I succeeded in "communications." But how many of our menfolk think that once an appliance is in the home—with an instruction book—the whole matter is taken care of, once and for all?

### Instruction Book Not Enough

What do we mean by "communications?"

Dr. Henrietta Fleck, chairman of the home economics department of New York University, had an exceptionally fine series of articles on communication in *Forecast* magazine last fall. She defined communication this way: "Communication is a process which involves three elements: the source, the message and the destination. . . . The *source* may be a person who is sending a message by writing on paper, crooking his finger, sketching on the blackboard or speaking to a group. Or it may be an organization or a company, using such techniques of communication as newspapers, motion pictures, radio or television.

### How Message Is Presented

"The *message* is the idea conveyed —whether spoken, written, drawn, gestured or delivered in other forms.

"The *destination* may be a person who is listening, watching or reading, either alone or in a group. . . . "

Dr. Fleck goes on to point out: "If communication is to be effective,

then the idea or information to be transmitted *must get through to the receiver and be interpreted as was intended.* This calls for the employment of skills in using words or other communication symbols in a meaningful manner and in putting ideas together so that they will make sense to others."

This sounds comparatively simple. Actually, it is far from that.

To begin with, we must realize that no communication has been accomplished unless the idea or message "has been received and interpreted by the receiver as the sender of the idea or message intended." No matter how fine a message is being broadcast, unless the potential receiver is tuned in for it on the correct frequency, he receives nothing.

### How to 'Get Through'

Then there is the fact that words do not have the same meaning to all persons. Unless we speak to another in terms he understands and interprets as we do, we have failed to "get through" to him. We often believe we are communicating with another when we are not reaching him at all. We tend to *assume* he understands and knows more than he does. We tend to *assume* that words mean the same thing to him that they mean to us.

In a safety meeting, I saw CPS's safety director, Bill Millican, demonstrate effectively how difficult it is to communicate one's thoughts clearly to another person. He was discussing with a group of line foremen the importance of giving clear instructions to their crew men in making assignments and telling their personnel exactly how they wanted a job done and the safe and efficient way to do it.

To make his point, he called one of the members of the group to the front of the room and said, "Bob, I have never seen a cigar and know nothing whatever about smoking one. I'm going to ask Jim to hand you a cigar; then I want you to give me careful explicit instructions how to go about smoking it."

Bob handed Bill the cigar and said: "Well, first you put it in your mouth." Bill put it into his mouth, cellophane and all.

"No," said Bob. "Take the cellophane off first." The safety director did so.

"Now bite off the end of the cigar and put it into your month," said Bob. Bill bit off the end, about two inches of it, and put the "end" or short piece into his mouth.

"No, no," said Bob, "I meant just bite off a little piece of the end, throw the little piece away and put the cigar into your mouth."

So they started over again with a fresh cigar. "Now light it," said Bob. Bill raised his eyebrows. "Do what?" Bob, by this time a thoroughly harassed man, handed Bill a small box of matches and said, "Take out a match, strike it and light the cigar."

Bill took the box of matches and, without turning it right side up, pushed it open. All the matches fell to the floor, of course.

Bob found it wasn't easy even to communicate the proper way to light a cigar without *assuming* that Bill knew a lot of things that Bob did. Many of us are guilty of this error of *assuming,* when we try to communicate.

Then there's the importance of speaking in terms that have meaning to the person with whom we wish to communicate. Recently I heard a speaker make a talk to a group of our local office employees. I was sitting across the table from two meter readers. The speaker used the word "aggrandizement"—a perfectly familiar word to him and one which he *assumed* meant the same to his audience as it did to him. The two meter readers exchanged glances. "What the heck is aggrandizement?" one asked the other in a stage whisper. "*I* dunno," said the other. They both shrugged. The idea the speaker was trying to communicate wasn't getting through to them. We should always bear in mind, when we are attempting to communicate our ideas to others, that we must use words which they not only *understand* but *which have the same meaning for them that the word has to us.*

### Short and Old Words

Winston Churchill once gave a cub reporter this advice: "Always remember that *short* words are best; and *old* words that are *short* are *best of all.*"

What could have communicated more to a greater number of people than Churchill's four famous words, both short and old: "Blood—sweat—toil and tears?" These classic words were heard, understood and remembered around the world.

Next, *to whom* should we communicate, within our organization, about our home service work . . . our educational program on living better electrically?

First, I believe we will all agree that the home service director has an obligation for communicating, fully and clearly, to the members of her staff, details of plans and programs. She must explain "who, what, when, where, why and how." We so often make the mistake of *assuming* that everyone in the act knows what it is all about, just as Bob "assumed" when he tried to tell Bill how to smoke that cigar. We cannot afford to assume. Each member of the squad should know the signals and her exact part in each play if we are going to get the team work and team morale that produces winning results.

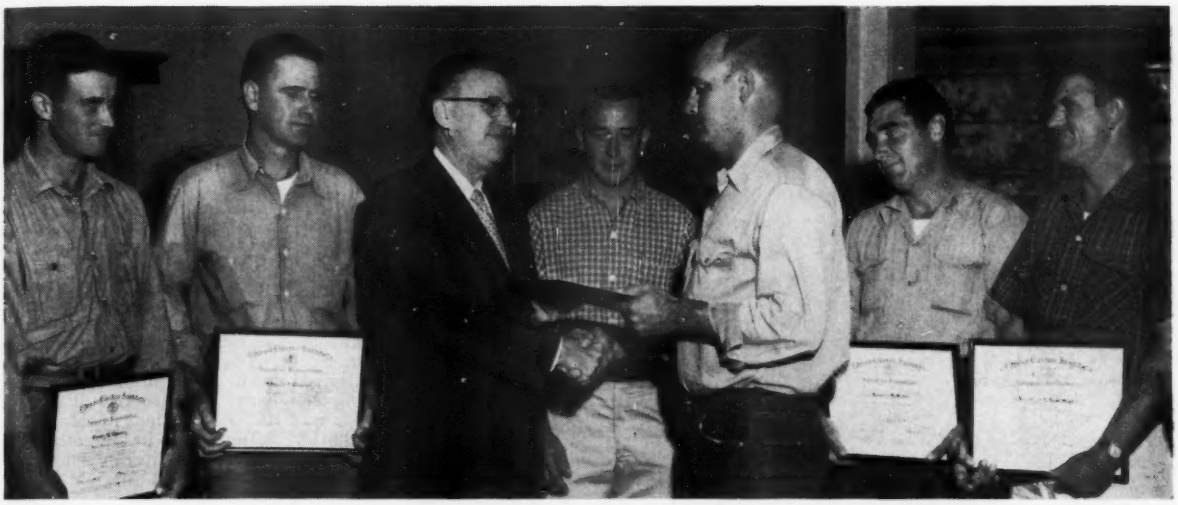
### Informing All

Next, not only the director but all members of the home service staff have the obligation to keep personnel of their organization, from top management and supervisors down to the grunts and office boys, informed about what home service is doing. There are "channels," of course. Perhaps it is the job of the director to see that top management is kept informed. Supervisors like to know what is going on, too; they like to have activities and accomplishments to report to *their* bosses. And most of the rank and file of our co-workers will show real interest and enthusiasm for our work, if we just take them into our confidence.

I don't think we should stop with our employees, in this matter of internal communications. Most of our men employees have wives. Do you make a point of staging little demonstrations and programs for employee wives sometimes? Do you let *them* know what you are doing and how you are doing it? Wives are powerful potential allies for us women in business. If we let an employee's wife know what we are doing and enlist her interest, she will see that Papa knows what is going on.

Do you ever stage evening pro-

(*Continued on page* 32)



For helping to save the life of Edgar Hayes, fourth from left, these employees of Union Electric Co. receive the EEI Medal and Certificate of Assistance. From left are: B. R. Ramsey, medal; Edward J. Placht, medal; W. M. Penney, superintendent of T&D for the utility; Mr. Hayes; Herman J. Oberkoetter, medal; Robert W. Scott, certificate, and Norbert E. Hallemeyer, medal.

# Five EEI Resuscitation Medals Awarded for Heroic Action

FIVE EEI Resuscitation Medals recently awarded to employees of member companies for saving the lives of fellow workers suffering from electrical shock bring to 475 the number of such awards reported since the Medal was established in 1933. Prior to 1933 the Insull Medal was awarded by NELA for pole-top artificial respiration which resulted in saving a human life.

The Medals are awarded to member company employees for their resourcefulness in applying artificial respiration to revive victims suffering from electrical shock and are symbolic of life-giving power that can be transmitted through hands of an employee performing resuscitation to a co-worker. *Gratia Dei per Manus Socii in Opere*—"By the Grace of God, Through the Hands of a Fellow Worker"—is inscribed on the Medal.

### OLEN L. SPEIGLE
*Florida Power Corp.*

R. L. Poucher's line crew on the morning of May 27, 1957, was replacing a set of double arms on a corner pole at the Pinellas Airport, St. Petersburg. Linemen James R. Wiseman and Olen L. Speigle were working on the pole when the heavy end of a coffing hoist Mr. Wiseman was holding fell and struck a 7200-volt lead, sending 7200 volts into Mr. Wiseman's left hand. Mr. Speigle heard Foreman Poucher yell "Get him!" Mr. Wiseman had fallen back in his belt and was slumped to the side. His head

Olen L. Speigle, right, is congratulated by W. M. Pickett of Florida Power Corp., upon receiving EEI Medal for saving the life of a co-worker.

John C. Clardy, right, receives EEI Medal from Vice President W. W. Wolff, Florida Power Corp., for helping to save the life of a co-worker.

went back and the upper part of his body was rigid. His face and chest were a deep red.

Mr. Speigle swung around to the east side of the pole, reached the injured man's left leg and worked him across his safety belt. He gave artificial respiration by pressing on Mr. Wiseman's stomach. In about two minutes his body relaxed and he moved forward slightly. Mr. Wiseman regained consciousness and asked "What happened?" The other lineman told him to be still and quiet and the injured man complained that he could not move his right arm.

Noah Spencer and C. F. Hobe, linemen, rigged a hand line and lowered Mr. Wiseman. He was taken to Mound Park Hospital and was found to have third degree burns of the left and right hands and a flash burn on the chest. As a result of the accident he has a slight partial disability of the right hand. Mr. Speigle was awarded the EEI Medal and Certificates of Assistance were awarded to Mr. Spencer, Mr. Hobe, Mr. Poucher, and the following who assisted in the resuscitation: Francis A. Ryczek, William J. Gritz, Samuel S. Harvey, Jr., Calvin A. Ferguson and Frederick L. Hadley.

### HERMAN J. OBERKOETTER
### NORBERT E. HALLEMEYER
### B. R. RAMSEY
### EDWARD J. PLACHT
*Union Electric Co.*

On the afternoon of Dec. 5, 1956, Edgar Hayes, apprentice lineman, was attempting to tie a 2400-volt phase wire to a pin on the end of a transformer arm which had been replaced in St. Louis County, Mo. He had replaced the new transformer cross-arm when his hand contacted the energized line.

Herman J. Oberkoetter, lineman, was working a few feet below Mr. Hayes when the accident occurred. Mr. Hayes cried out that he had been shocked, and stiffened in his safety strap. Both of his gaffs cut out and he slumped over in his belt into the arms of Mr. Oberkoetter, who immediately called for help and started to administer pole-top resuscitation. Mr. Hayes' position was such that the other lineman could not properly place him on his belt because of attachments on the pole. The injured man was held at Mr. Oberkoetter's side, while artificial respiration was administered as well as the position would allow.

Norbert E. Hallemeyer, working on the next pole, came to Mr. Oberkoetter's aid, succeeding in opening the injured man's mouth to see that his tongue was clear. By this time a hand line had been sent up and was tied around Mr. Hayes by Mr. Hallemeyer, who also cut his safety strap when it would not open. Mr. Oberkoetter continued to administer artificial respiration until all preparations were completed for lowering Mr. Hayes. He was received at the foot of the pole by Edward J. Placht who placed him on blankets procured by other crew members. The two linemen on the pole climbed down. B. R. Ramsey was applying the back pressure-arm lift method of artificial respiration to Mr. Hayes. Shortly afterwards he regained consciousness and resuscitation was continued for several minutes. Mr. Hayes suffered burns to fingers on both hands.

The Medal Miniature was awarded to the four men involved in the resuscitation and the Certificate of Assistance was awarded to Robert W. Scott, who ran to a nearby house to telephone for an ambulance.

### JAMES HAROLD WILLIAMS
*Florida Power Corp.*

On the morning of April 8, 1957, a line crew under Foreman B. I. DuBose, was replacing copper primary wire with aluminum primary at Cross City, Fla. Tommy L. Smith, an apprentice lineman, had climbed a pole to attach a sheath block at the top. He contacted an energized wire with his hand and with his head. He fell onto the guy and slid to the ground. James Harold Williams, lineman, was the first to reach Mr. Smith, and immediately straightened him and started to administer back pressure-arm lift resuscitation. Lewis F. Newman, apprentice lineman, opened Mr. Smith's mouth and saw that the injured man had swallowed his tongue. Mr. Newman put his fingers into Mr. Smith's mouth and was bitten by Mr. Smith. Mr. Newman then inserted a stick between the injured man's teeth and pried his mouth open. He put two fingers into Mr. Smith's mouth and pulled his tongue out. Mr. Smith gasped and breathed heavily as Mr. Williams

James Harold Williams, center, receives EEI Medal from C. E. Burkhardt, Florida Power Corp. Lewis F. Newman, right, received a Miniature Medal, and George W. Yarbrough, left, a Certificate of Assistance.

continued artificial respiration for about 10 minutes. Mr. Smith was revived momentarily and lapsed back into unconsciousness as resuscitation continued. Mr. Newman relieved Mr. Williams immediately before the ambulance arrived. Artificial respiration was administered for a total of about 15 minutes before Mr. Smith began breathing normally.

Mr. Smith was taken to a Gainesville, Fla., hospital where it was discovered he was suffering from burns on top of the head, burns inside both legs and on the stomach, fingers of the left hand and a broken right leg. It was necessary to amputate the left leg between the ankle and the knee. The EEI Medal was awarded to Mr. Williams, a Medal Miniature was awarded to Mr. Newman, and a Certificate of Assistance was awarded to George W. Yarbrough, truck driver-helper, who untangled Mr. Smith from the guy.

### JOHN G. CLARDY
*Florida Power Corp.*

A crew, under Foreman E. O. Peters, on the morning of March 28, 1957, was performing a conversion from 4 kv to 12 kv at 10th and Jackson Sts., North, in St. Petersburg, Fla. Lineman William T. Reid had climbed the pole to tie in the neutral and remove the secondary neutral and remove one de-energized conductor. When he started to tie in the neutral, Mr. Reid swung around the pole to get in better position. In doing this he contacted a 4-kv wire with his head. Lineman John G. Clardy was working on the pole south of Mr. Reid. He saw the injured man fall backwards in his safety belt. Mr. Clardy, after insuring that Mr. Reid was safetied in, and in the clear, began to administer pole-top resuscitation. The injured man was frothing at the mouth, his skin was dark and he was not breathing. After about two minutes of artificial respiration, he revived and was being lowered to the ground on a hand line, with the aid of Robert C. Atkins, lineman. While he was being lowered, Mr. Reid stopped breathing again, and Mr. Clardy resumed artificial respiration to the injured man. This was continued for about two more minutes, until an ambulance arrived. Mr. Reid suffered small electrical burns on the scalp, and two fingers on his left hand. Mr. Clardy was awarded the EEI Medal, and Certificates of Assistance were awarded to Mr. Atkins and to Stanley D. Sutton, W. Ward Reichelderfer, Harvey L. Peacock and Roy Rooks for their part in the rescue.

### M. W. DEMORY
*Potomac Electric Power Co.*

Two high tension cross arms and one six-pin cross arm were being installed on a new 50 foot pole on Aug. 18, 1957, at Takoma Park, Md., by a crew of the Potomac Electric Power Co. The foreman of the crew was C. E. Moriarty. Lineman E. E. Johnson had climbed the pole and was getting into position to start work. Wires were sagging on either side of the pole. When Mr. Johnson reached for his glove bag, he contacted a high tension wire.

M. W. Demory, lineman, was standing at the base of the pole ready to climb when he noticed Mr. Johnson was in trouble. He put on his rubber gloves and started to climb the pole. When he was about 10 feet below the injured man, Mr. Johnson's climbers cut out and he fell on top of Mr. Demory.

Seeing that Mr. Johnson was not conscious or breathing, he placed him in position to administer pole-top artificial respiration. In about five minutes, after the injured man was breathing normally, Mr. Demory lowered him to the ground, where Dr. Ernest A. Saro administered oxygen. He was taken to Garfield Hospital in Washington where his injuries were diagnosed as third degree burns to fingers of the right hand, right leg below the knee, and second degree burns to fingers of the right hand, upper right arm and left foot. His right middle finger was amputated.

The EEI Medal, the first ever awarded to an employee of Potomac Electric Power Co., was presented to Mr. Demory for his part in the heroic rescue, and Certificates of Assistance were presented to R. S. Gray, junior lineman who climbed the pole to assist Mr. Demory in lowering the injured man, and L. W. Norman, vehicle operator, for recognizing the seriousness of the situation and using the company two-way radio to call for a doctor and an ambulance.

The presentations were made by R. Roy Dunn, Potomac president. Photographs of the presentation appeared in *The Washington Post and Times Herald* and in *The Washington Daily News.*

M. W. Demory receives EEI Medal from R. Roy Dunn, left, president, Potomac Electric Power Co., for helping to save the life of a co-worker. L. W. Norman and R. S. Gray, right, received Certificates of Assistance.

## *Underground Systems Reference Book Circles the Globe*

THE new EEI *Underground Systems Reference Book* is well along the road to becoming an international favorite. Since its publication five months ago, the 624-page volume has been shipped to hundreds of electric companies and other organizations in 40 foreign countries and five U. S. possessions, in addition to the thousands of copies sold in America.

From Argentina to Saudi Arabia and from Finland to South Africa, the book, described by several electrical publications as "a most comprehensive and authoritative treatise on the design, construction, operation and maintenance of power cable systems," is helping to solve underground systems problems.

Canada, which is closely linked to the American electric industry through its Canadian Electric Association, accounts for the majority, or 253, of the foreign orders. Cuba ranks second with 47 books ordered; Venezuela is third with 40; England fourth with 22, and Brazil fifth with 14.

Other foreign countries and U. S. possessions which have ordered the *Underground Systems Reference Book* are:

Alaska, Argentina, Australia, Belgium, Bolivia, Guatemala, Canal Zone, Colombia, Dominican Republic, Ecuador, El Salvador, Finland, France, Greece, Guam, India, Italy, Japan, Mexico, Pakistan, Peru, Philippine Islands, Portugal, Puerto Rico, Saudi Arabia, South Africa, Spain, Sweden, Switzerland, West Germany, Denmark, the Netherlands, Norway, Burma, Austria, Chile, Panama, and Iran.

EEI Safety Merit Award for record 8,000,000 accident-free manhours of operation was presented to Power Transmission Station employees of Baltimore Gas and Electric Co. J. Theodore Wolfe, BG&E president, is third from right, front row.

# Record 8,000,000 Accident-Free Manhours Achieved by Baltimore G&E Power Transmission Stations

THE Power Transmission Stations of Baltimore Gas and Electric Co. have completed 8,000,000 manhours of operation without a single time-lost accident. For this achievement, covering more than 18 years, the employees have received another Safety Merit Award from Edison Electric Institute. BG&E's Power Transmission Stations now hold the highest safety award of this type issued in the electric utility industry.

### Wolfe Presents Award

The award was presented by the company's president, J. Theodore Wolfe, at a meeting of a representative group of Power Transmission Stations employees in the Monument Street Cafeteria in Baltimore.

All members of the Stations have contributed to this outstanding job. However, the operators, who actually perform the various operations, must be highly commended for their part in keeping the safety record clean for 8,000,000 manhours.

In helping to earn this award, these men, to whom safety has become a habit, have successfully completed approximately 283,000 switching and 94,000 grounding operations on high voltage circuits and equipment.

### 'Safety Know How'

A switching operation usually requires the operator to open or close high voltage disconnect switches, air break switches, load break switches, fuses, etc. These operations are performed with "Safety Know How," which includes a complete knowledge of approved safe work practices, rules and regulations, as well as the proper use of all safety devices to prevent injury. A grounding operation requires the operator to apply, by means of portable leads, disconnect switches or grounding devices, protective grounds to high voltage circuits or equipment which have been de-energized.

Although both switching and grounding operations are potentially hazardous, they become dangerous only when the operator fails to use the "Safety and Operating Know How" available.

### Safety Is Full-Time Business

With BG&E, safety is a full-time business and requires the hard work and full cooperation of everyone concerned. Safety work in the Power Transmission Stations was started in 1921 with the publication of the Regulations for work in the stations. They have been revised many times so as to more completely cover changes in equipment and practices. An important part of these regulations is the Hold-Off Card and Live Equipment Permit Systems which prescribe the procedures and precautions which must be observed before work is started on high voltage circuits or equipment.

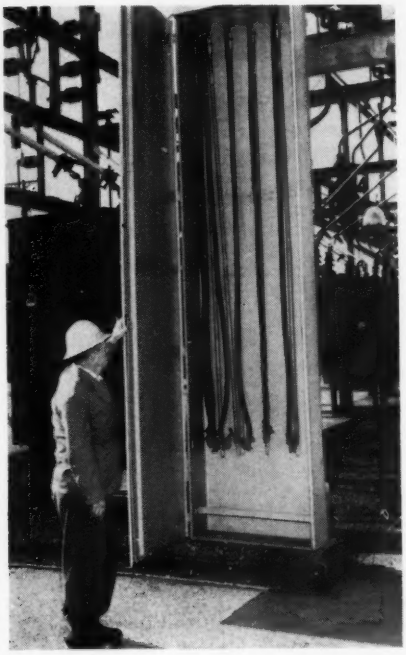
### Attention Is Necessary

Regulations in themselves do not insure safe work, Baltimore Gas and Electric maintains.

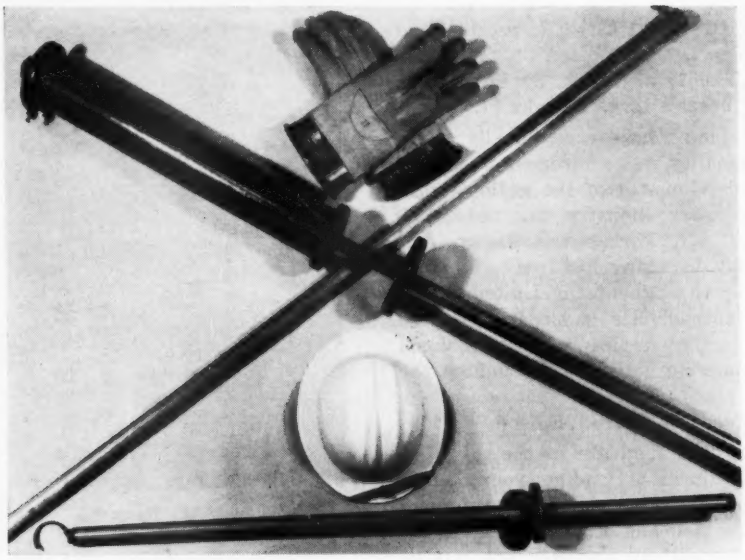
Safety can be achieved only by constant and continous attention while the work is being done. Teamwork and coordination, as well as thinking and planning ahead, are essential to prevent accidents, the electric utility company says.

Power Transmission Stations' personnel are justly proud of their record and are firmly resolved to continue to apply the approved practices and regulations that have made this record possible.

# *Safety Measures at Baltimore Gas and Electric*

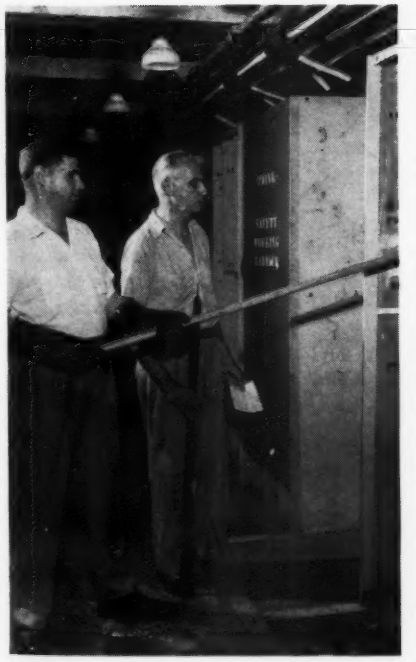


Storage of portable protective grounding leads and sticks are shown at Westport Outdoor Substation.

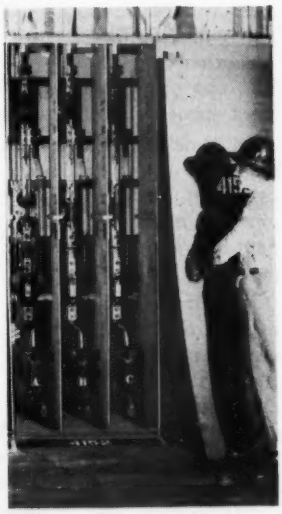


Above is some of the more frequently used safety equipment — rubber gloves, high voltage test can, switch stick, hard hat and high-voltage test stick.

In photo at left, portable protective grounding leads are applied to 33,000-volt cable at Clifton Substation.



A 4,000-volt feeder is switched at the Penn St. Substation. Note "checker" and safety equipment, including switching order.



Shown here are disconnects of 4,000-volt feeder at Sharp St. Substation. Protective barriers, circuit and phase identification are seen.

# James W. Parker

JAMES W. PARKER, president of The Detroit Edison Co. from 1944 until 1951, died Dec. 30 in Detroit, of a heart attack. He was 71.

A man whose exceptionally warm personality was a strong influence in the development of the nation's electric power industry for nearly 50 years, Mr. Parker was known personally by many hundreds of utility people throughout the United States and abroad. He had continued both his public service and professional engineering activities throughout the six years since his retirement as president of Detroit Edison.

He died suddenly in the midst of work aimed at leading young engineers and the engineering profession toward new and broader horizons. He was himself an engineer not just of the turbines and towers of electric power systems—but of youth and hope and enterprise, and better things for more people.

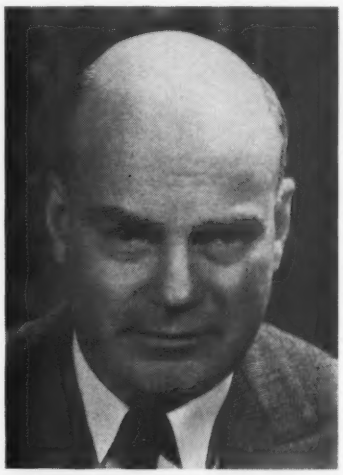
### University Grad in Overalls

Mr. Parker came to Detroit Edison in 1910 as a 23-year-old Cornell University graduate. He went to work in overalls at the company's old Delray Power Plant as the first young technical man with a sheepskin to serve a boiler-room apprenticeship under the direct supervision and close scrutiny of an operating crew. His success in his down-to-earth duties did much to establish Detroit Edison's—and other companies'—policy of starting out youthful engineers in the most basic jobs of the organization.

In time Mr. Parker became chief engineer of power plants, then vice-president and chief engineer, then general manager, and finally president and general manager of his company.

He directed the design and engineering of Detroit Edison's first generating units at Conners Creek Power Plant; the building of the Marysville and Trenton Channel plants and Delray Power House Number Three; and the rebuilding of the Conners Creek plant in the middle and late 1930's.

His warmth and understanding as a chief executive were reflected in the relations of his company with people—with customers, and with employees and labor unions.



JAMES W. PARKER

He found time, despite his crowded schedule, for public service in both local and national affairs, as well as the affairs of his industry. In 1947 he was appointed chairman of the first Industrial Advisory Group of the U. S. Atomic Energy Commission. Thus began peaceful industrial atomic energy development.

In 1949 he went to Germany by request of the military governor, General Lucius Clay. There he studied the German utility systems and recommended dissolution of cartels and regulation by commissions patterned after the commissions in the United States.

After his retirement in 1951, he continued to serve his company as a director and his industry as an acknowledged leader. And in all the days of his busy life, until the end of his 71 years, he was the stout defender and protector of the best and most enlightened of American industrial principles and ethics.

Mr. Parker, a native of Auburn, N. Y., was a past president and honorary member of the American Society of Mechanical Engineers, a past president of the Association of Edison Illuminating Cos., past president and honorary member of the Engineering Society of Detroit and for three years was chairman of the Engineers' Council for Professional Development.

# Adrian Lindsley

ADRIAN VAN SINDEREN LINDSLEY, retired sales vice president of The Connecticut Light and Power Co., died recently at his home in Watertown, Conn. after a long illness.

A graduate of the Cornell School of Engineering, Mr. Lindsley joined CL&P in 1919 after service overseas in World War I as a captain in the Engineers. In 1921 he was made sales manager for the company and in 1939 was elected vice president in charge of sales. He retired in 1952.

He was widely considered the father of the "Handy Lamp Kit" campaign in the United States which he began in 1927 by the sale of a convenient package of several bulbs, with the aim of promoting adequate lighting in the home. Other notable promotional efforts which he directed for the company were the first big extension of farm electrification in Connecticut in the nineteen twenties and the increased use of electric heating in industry.

He was very active in national and regional utility organizations and served on committees of the former National Electric Light Association, the Edison Electric Institute, the New England Gas Association and the Sales Executives Conference.

**A Catalog of**

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***is available upon***

***request to:***

**Edison Electric Institute**

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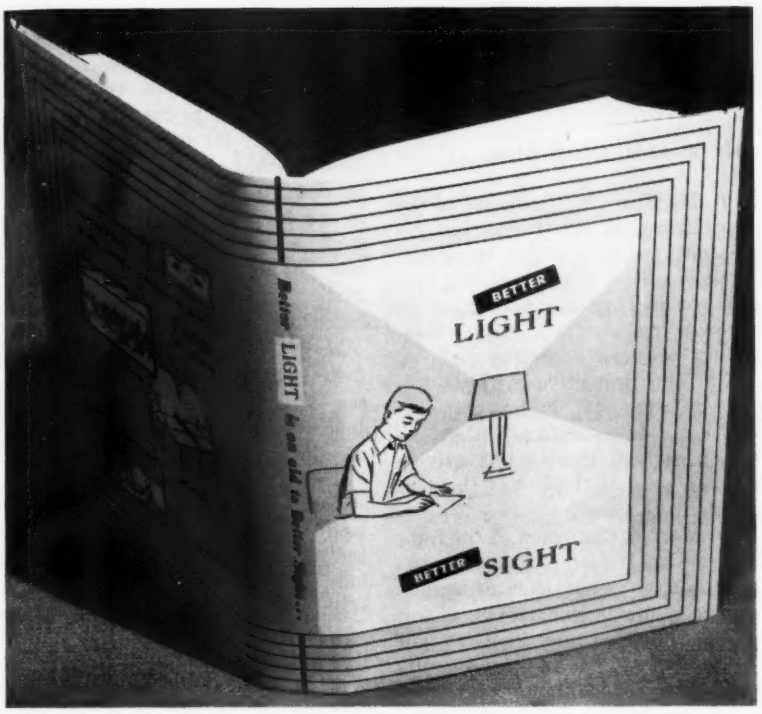
**New York 17, N. Y.**




"Plasticoat" covers for school books are available from the Better Light Better Sight Bureau. The covers carry a brief effective message about lighting in the home.

# Better Light Better Sight School Book Covers

PROTECTIVE book covers for use by school children are now being made available by the Better Light Better Sight Bureau, it has been announced by Walter G. McKie, general sales manager, Rochester Gas and Electric Corp., and Chairman of BLBS Bureau.

### Carries Lighting Message

Prepared by the Bureau's Lighting Information Committee, the "plasticoat" jackets carry a brief and attractive message about lighting in the home, particularly for home study by school children. The covers were designed to be suitable for local distribution by electric utilities. Initial testing by several companies indicate that the covers are very acceptable to school authorities, Mr. McKie reported.

Book covers of this type are highly valued by school boards and school administrators because they help preserve the books which must be passed on from year to year, and which are an important item of expense in face of rising costs of all printed materials. As a matter of fact, Mr. McKie states, book covers of some type are required in many schools.

The Better Light Better Sight covers, which are attractively printed in black and yellow on a white paper, are made by laminating a flexible plastic film to a treated paper, thus producing covers that are washable, waterproof and wear-resistant. A copyrighted design and folding instructions make one size cover adjustable to fit 85 per cent of the text books used.

### Quantity Prices Offered

BLBS book covers are available to utilities on a sliding scale of prices based on quantity. BLBS Bureau says these book covers can supplement utility public service activities and at the same time promote a better understanding of the use of lighting service.

Additional information about the book covers may be obtained upon request from Ed Campbell at the Better Light Better Sight Bureau, 420 Lexington Ave., New York 17, N. Y.

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## 94 Safety Merit Awards Presented to Electric Companies in 1957

NINETY-FOUR Safety Merit Awards were presented to 42 electric companies during 1957 for 1,000,000 or more manhours of operation without major accident. This was 25 less awards than were given in 1956 to 41 companies.

Of the 94 awards, 11 were made for 2,000,000 manhours; three for 3,000,000 manhours and one—Baltimore Gas and Electric Co.—for a record-breaking 8,000,000 manhours.

Between Nov. 15 and Dec. 31, 1957, the following awards were authorized:

Baltimore Gas and Electric Co.
- Electric Dstribution Department ..... 1,010,685
- Electric Operating Departments ..... 1,066,399

Consolidated Edison Co. of N. Y., Inc.
- Station Construction & Shops—Shops Bureau. 1,000,000

Consumers Power Co.
- Battle Creek Division... 1,013,164
- Saginaw Division ..... 2,033,190

Cleveland Electric Illuminating Co.
- Distribution Group ..... 1,001,698

Detroit Edison Co.
- Production Department—Marysville Plant ..... 2,000,802

Duquesne Light Co.
- Power Stations Department — Confax Power Station ..... 1,047,077

Fall River Electric Light Co.
- Entire Company ..... 1,001,764

Interstate Power Co.
- Entire Company ..... 1,109,510

Pacific Power & Light Co.
- Entire Company ..... 1,140,775

Pennsylvania Electric Co.
- Central Division ..... 1,071,160

# Insurance Committee Meeting

**D. E. Williams, *Chairman***

THE Insurance Committee held its fall meeting Oct. 17-18 at Dearborn Inn, Dearborn, Mich. Thirty-one members and four guests attended. The meeting was devoted largely to subcommittee reports and a general discussion of these reports.

W. O. Randlett, Chairman of the Subcommittee on Rating & Forms, discussed the increases in premium costs which resulted from the reduction in the term credits by the fire insurance companies. He also reported on a recent meeting of his subcommittee with the Inter-Regional Insurance Conference.

M. A. Tait, Chairman of the Subcommittee on Excess Fire & Allied Lines, discussed deductible fire insurance and the various plans which are now available. The subcommittee will continue to pursue this subject with the various elements of the insurance market in an effort to make more coverage of this type available.

C. H. Nelson, Chairman of the Subcommittee on Boiler & Machinery, reported that no further progress has been made toward improving the boiler and machinery coverage available to the utility industry in a domestic market. This subcommittee, together with a subcommittee of the American Gas Association, will continue to meet with the representatives of the National Bureau of Casualty Underwriters in an effort to improve this situation.

### Benjamin Reports

A. L. Benjamin, Chairman of the Subcommittee on Extra Expense, reported that he is continuing discussion with the Inter-Regional Conference in an effort to develop this type of coverage on a basis which will provide the utilities the necessary protection.

J. L. Kennedy, Chairman of the Subcommittee on Excess Liability, reported that the American market for excess liability insurance has continued to expand and that at the present a reasonably competitive market exists. He also pointed out the need for review of limits of liability coverage in view of the ever-increasing higher awards being made by the courts.

R. R. MacKay, Jr., Chairman of the Subcommittee on Fire Protection, reported on a meeting of the Insurance Committee's Task Force, which is currently considering the protection of coal-conveying systems, the extinguishing of fires occurring in coal bunkers, and protective methods followed relative to hydrogen-cooled equipment. It is expected that reports on each of these items will be completed prior to the end of the current Institute year.

J. W. Marrin, Chairman of the Subcommittee on Industry Practices, reported that the development of a questionnaire is now in its final stages and that the completed questionnaire will soon be recirculated among Committee members to obtain up-to-date information. It is hoped that the information from this questionnaire can be summarized and be made available for discussion at the next meeting of the Insurance Committee.

A. G. Jillette, Chairman of the Subcommittee on Nuclear Projects, reported on the developments which have taken place in the insurance market relating to the insuring of nuclear risks. He indicated that a considerable amount of work remained to be done in the development of language for both liability and property damage policies, but that progress was encouraging, and the insurance market was to be complimented on the job which it had done so far.

E. M. Spencer, treasurer of The Detroit Edison Co. and Chairman of the Atomic Industrial Forum Insurance Committee, was a guest at the meeting. He discussed several aspects of the Atomic Power Development Associates and Power Reactor Development Co. projects in connection with the Enrico Fermi Atomic Plant being built at Lagoona Beach, Monroe, Mich. He reviewed breifly a number of the problems which still exist in the proposed policies covering property damage and public liability insurance for nuclear projects.

The next meeting of the Insurance Committee will be held at the Statler-Hilton Hotel in Dallas, Texas, March 12-13.

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## Wisconsin Public Service Sponsors Fourth Farm Scholarship Program

WISCONSIN Public Service Corp. will sponsor a Farm Short Course Scholarship Program for the fourth consecutive year, it was announced by Harold P. Taylor, Milwaukee, president of the utility.

Fourteen complete scholarships, valued at $240 each, will again be awarded through the medium of county contests and will apply to the 1958-59 farm short courses of the University of Wisconsin and Michigan State University.

University of Wisconsin scholarships will be awarded the winners of separate contests to be held in Brown, Calumet, Door, Kewaunee, Langlade, Lincoln, Manitowoc, Marathon, Marinette, Oconto and Winnebago counties. They will also be awarded the winners of joint contests to be held in Portage and Waupaca counties and in Oneida and Forest counties. One Michigan State scholarship will be awarded in Menominee County, Mich.

In addition, each of the 14 contests will carry second and third place awards of $50 and $25 U. S. Savings Bonds.

The number of farm customers served in a county, and the fact that Public Service furnishes electric service only in parts of some counties, are the factors which determine the contest areas.

Entries must present a specific application of electricity to farming in less than 1,500 words. Participants must be not less than 17 years of age, must intend to pursue agriculture as a career, and must reside in areas in which Public Service furnishes electricity either directly or indirectly. Winners facing military service may defer use of the scholarship for a maximum period of two years.

Entries must be in the Public Service office in each county by March 31, 1958.

# Accident Prevention Committee Meeting

**I. R. Dohr, *Chairman***

FORTY-THREE members and forty-eight guests participated in the 64th Accident Prevention Committee meeting held at the Penn-Sheraton Hotel in Pittsburgh, November 6-8.

A welcome was extended by Philip Fleger, board chairman and chief executive officer of Duquesne Light Co. He reminded us that although the record shows that we are meeting the great challenge to reduce accidents caused by human failure, changed situations such as the introduction of atomic power are presenting new problems. The fact that a record may have been good in the past may not be significant.

### 'Phillips 66' Discussion

An outstanding feature of the meeting was a "Phillips 66" discussion in which the entire assembly was divided into groups of six. Each group after a short discussion submitted a response outlining a new activity the Accident Prevention Committee should undertake to provide more effective safety leadership for the electric utility industry. From these reports the general assembly selected the four which it considered the most important, namely:

1. Produce more and better visual aids of high professional quality; 2. Give more attention to communicating safety matters to all levels of management to secure more financial investment in safety work and more management support and participation; 3. Promote uniform nation-wide safety rules; and 4. Complete the work started by the Medical Task Force.

### Dohr Congratulates Coleman

Chairman Dohr congratulated R. H. Coleman and through him the employees of the Power Transmission Stations (a group of about 200 substation operating people) of the Baltimore Gas and Electric Co. for their outstanding safety achievement. He presented to Mr. Coleman a special EEI Safety Merit Award in recognition of that group having operated from July 3, 1939, through Oct. 8, 1957, a total of 8,001,952 consecutive manhours, without a disabling injury. This is the largest accident-free record achieved in the electric utility industry.

In his luncheon address, Pressly H. McCance, president of Duquense Light Co., urged that the committee secure more attention for effective accident prevention from top management of EEI and the industry.

The committee later approved holding a special one half-day conference at the coming Toledo meeting in April to discuss "What Would You Like to See Executive Management Do About Safety."

Of all the excellent reports submitted by the subcommittee chairmen, two which are concerned directly with the lives of our employees seem to merit special attention. Contained in the report of shock and burn accidents made by Errol Dunbar of the Potomac Electric Power Co. was a series of thought-provoking questions:

1. Have we set up adequate rules and requirements regarding use of rubber goods?
2. Have we established proper engineering standards in our construction to provide proper clearances?
3. Where proper clearances are unobtainable have we *insisted* on the use of proper platforms, ladders and other equipment to keep our workmen in the clear?
4. Have we made the use of safety equipment and personal protective equipment mandatory?
5. Is our training program adequate to *emphasize* the need for protective equipment and proper working methods?
6. Are we carefully following up and removing the dangerous conditions that trap our workmen?

Mr. Dunbar suggested that inability to answer all of these questions affirmatively indicates that we have failed in part to properly do our job. If the suffering and death from electric shock and burn accidents in our industry is to be prevented, operating personnel must be persuaded and individual workmen must recognize the necessity for the accident prevention steps outlined.

W. C. Bremner, chairman of the Resuscitation Subcommittee, reported a new concern over the possibility that turning the head to one side in some of the manual resuscitation methods may close the air passage to the lungs. R. H. Coleman, with the aid of John Callahan, demonstrated a method of pulling the jaw forward to "sniffing" position, placing the face straight down using the interlocked hands of the subject to hold the chin forward and using both knees of the rescuer to retain the head in that position.

### 'Red Apple' Award

For his excellent production of the report summarizing Current Practices in the use of Electrical Workers Protective Equipment, Charles Coutts, chairman of the Protective Equipment Subcommittee was given a special "Red Apple" award. In his absence, this was presented to John Andrews, the vice chairman of the subcommittee, who delivered it to Mr. Coutts.

This report should be a valuable reference for many years to come and it is hoped that it will aid individual companies in the industry to bring their practices in line with the industry trend!

The summary shows that the number of failures of rubber protective equipment which cause injury is infinitesimal. It is not failure of equipment but failure to use the equipment by the individual which produces injury.

### A Visit to Shippingport

At the visit to the Shippingport Atomic Reactor Power Station the superintendent, Mr. Oldham, gave an excellent talk concerning the details of this station. He pointed out that it was constructed essentially to find out if a nuclear power plant can be practically operated under utility loads with utility personnel, and that there was no present economic justification for such a station.

Following Mr. Oldham's talk, the committee had an opportunity to tour the physical plant under the able guidance of operating personnel.

## Community Leaders and Freedom

(*Continued from page* 7)

said that one of the reasons for the nation's large budget is that more and more Americans are calling upon their government to do for them those things which people in America have traditionally done for themselves. You and I must be on guard against that possibility.

### Results of Lack of Information

We have good reason to believe that this tendency toward collectivism, to which President Eisenhower refers, is directly traceable to a lack of knowledge, on the part of many people, of the basic facts about our economic system. It is logical to ask, "How can people be informed?" The answer is that we have the means of communicating ideas. They are in use every day. We have the facts about our great nation, and we have the ways to get them across to people. If we used the means we have, the problem would be licked; we could prevent this subtle shift leftward which threatens our freedom.

Here is where the guiding hand of the American nation—the community leader—fits into the pattern. Many American community leaders did not ask for the job; many became community leaders in spite of their protests. In each case, a man is a community leader because there is something in him that inspires confidence, belief and trust. Whether he asked for it or not, each community leader carries a sacred obligation not to betray that confidence.

Each of us has some means of communicating with people. According to the work people do, the extent and nature of their social life, and the measure of their stature in the community, some have a greater potential than others; but each has a way. The community leader in particular has many means of getting his thoughts and ideas across to his friends and associates.

Many groups are giving attention to the possibility of including courses on the American economic system in the schools; community leaders working with the schools could do much to bring this about. A number of companies are beginning to take a renewed interest in giving these facts to their employees; here again, the community leader can do effective work with company officers and boards of directors. Civic groups, by their nature, are interested in problems like this. Many would be willing to lend active support to a program of informing people, if a program were presented to them. Here, too, someone—a community leader—must pick up the ball and run with it.

### Duty of Community Leaders

Here in America, how much time one devotes to preservation of freedom is a matter of personal choice. There is no dictator here to compel free men to do their duty. That work is done according to what each of us feels he should do. Now it appears that many of us have been overly stingy with our contributions in this regard.

There are a number of things we can do about it. Those interested in keeping American freedom would do well to study it, to learn the facts themselves, so as to be able to tell others about it. Having learned about our free system, they should explore their circumstances, to see what means of communication are available to them. Having found ways to communicate these ideas, they should be utilized to the utmost.

This is the only way in which we as a nation can meet the great challenge facing us. It imposes an additional burden on the nation's community leaders. How well our community leaders will respond to this call will ultimately determine the extent to which we as a nation will retain the freedom we now possess. Our future lies in the sense of responsibility of our nation's key citizens; it depends on voluntary action. How America meets the challenge rests squarely on the shoulders of people like you.

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## See the Whole Picture

(*Continued from page* 14)

search and development are reflected in the market place. Think of the effect the expenditures during the past five years will have on the products in the next ten years! You have already seen some of the appliance manufacturers' previews of future possibilities for the kitchen and the home.

But this marvelous opportunity exists for all suppliers of consumer goods and services. Many of the industries that will be competing with us for that increased consumer discretionary income have already laid their plans and stepped up their efforts to attract Mr. and Mrs. Consumer to their product—to their service.

The increase in total national advertising from $2.1 billion in 1940 to $5.7 billion in 1950 to an estimated $10 billion in 1956 is evidence that some are already running faster. A. C. Monteith, vice president, Apparatus Products Division of Westinghouse Electric Corp., recognized the problem ahead for the electric utility industry when he stated:

> "Complacency about load growth can be disasterous . . . Whether ten, seven or five years—whether 450 billion kwhr of industrial power, or even more — the projected increases are going to require a tremendous effort on the part of our industry. With each doubling of capacity, the exertion becomes much greater. We are caught in that situation, normal in a dynamic enterprise economy, in which you have to run faster to stay where you are, and very much faster to move ahead."

You are looking at a dynamic picture . . . one that changes every minute of every day. One that has reflected our past . . . clearly sets forth the present and reveals our future . . . a future that will be determined by our effectiveness in selling our service.

I am certain that if you will strive to see this whole picture—analyze, develop, plan, change your activities as the whole picture requires that you will become even better home service directors than you are —that you will help provide the dynamic leadership that is required to bring to the electrical industry stability and profit and to the people of America a standard of living that we cannot even visualize today.

# Electronic Accounting Machine Program Reviewed at Fifth Seminar

APPROXIMATELY 220 representatives from more than 70 electric and gas utilities participated in the Fifth Annual Electronics Seminar in Detroit, Dec. 2-4, 1957. The Seminar, devoted exclusively to the public utility accounting problems, offered the delegates an opportunity to discuss progress and current developments in the fast moving field of electronic accounting machines.

The three-day Seminar was sponsored jointly by the EEI Accounting Division and the AGA Accounting Section. The program was organized and managed by the Electronic Accounting Machine Developments Committee of each association under the chairmanship of Emmet T. White, Public Service Electric and Gas Co., and Russell W. Britt, Wisconsin Electric Power Co., who presided over the general sessions on Monday and Wednesday.

The Seminar, stressing "Electronics at Work," was designed to permit frank and "down-to-earth" discussions and an exchange of information and ideas on an informal first-hand basis. Representatives from more than 20 utility companies actively engaged in studying or utilizing electronic data processing machines frankly, but very optimistically, discussed their current status, major problems encountered and future plans. A progress report on the Harvard Research Project was also presented.

### Computer Installations Viewed

A highlight of the program was the opportunity to visit the IBM 705 and 650 computer installations at The Detroit Edison Co. The 705 was observed actually processing customers' accounts and preparing bills. The 650 was used to demonstrate a utility plant life determination procedure.

On Monday, Dec. 2, the Chairman of the EEI Accounting Division, J. D. Elliott, The Detroit Edison Co., welcomed the delegates to Detroit and the Seminar. During the day, representatives from 13 companies discussed their pioneering accomplishments in applying electronic computers in customer accounting and general accounting areas. Each company emphasized its accomplishments to date, problem areas encountered, major differences in their particular application as compared to other similar computer installations, and their plans for further use of the computers.

### Speakers on Program

The speakers on the program were as follows: Herbert Jacobson, Commonwealth Edison Co.; F. J. Porter, Jr., Consolidated Edison Co. of New York, Inc.; E. D. Cowles, The Detroit Edison Co.; R. A. Krauss, The Cleveland Electric Illuminating Co.; Leon Philipson, American Gas and Electric Service Corp.; W. J. Ott, The Cincinnati Gas & Electric Co.; John Towle, Columbia Gas System Service Corp.; R. R. Fortune, Pennsylvania Power and Light Co.; R. Lockhart, Philadelphia Gas Works; W. J. Caunt, Jr., Public Service Electric and Gas Co.; R. W. Britt,* Wisconsin Electric Power Co.; R. C. McCollum,** Peoples Gas Light and Coke Co.

With one or two exceptions, the computers presently in productive operation are being used for customer accounting functions. The other companies are using computers to process payrolls, stock and dividend accounting, material and stores accounting, and engineering problems. All these applications were mentioned by many companies as the next areas for computer study after completing the conversion to customers accounting. Each company reported optimistically and enthusiastically on its results to date.

Almost without exception, the speakers emphasized several areas which will require considerable attention by any company studying electronics accounting. These included personnel training, understanding of the problem to be studied, estimating time and costs, and converting several small functional units rather than a major function.

It was suggested that an intensive and extensive effort be made to train thoroughly the people who will study and design a computer application, convert the present system to the computer, and operate the electronic data processing system. Inadequate training will result in considerable frustration and delays.

While the complexity of the customer accounting problem makes it difficult to adapt to a computer, the speakers were optimistic in stating that it can be done. The major difficulty has been in recognizing the complexities. Once this is noted, designing and programming a system for computers has been somewhat easier. Much of the difficulty has been due to a lack of knowledge and familiarity with either the computer or the function to be converted, or both. Thus, the insistence on training and education of personnel, including management.

These difficulties of course, led to the gross under-estimation of the time, effort and money required. All companies indicated that their estimates were way off on the time required for studies, conversion, operating times, people to staff the system, etc.

### Step-by-Step Conversion Urged

Many speakers suggested that serious consideration be given to a step-by-step conversion to a computer system. In this method, small functional units of the total system should be programmed and converted in stages, rather than attempting to program and convert the entire system at one time.

Small group discussions on various topics were held on Tuesday, Dec. 3. The subjects were: Personnel Problems—Selection, Training, Organization, Morale; Planning an Approach to Electronics; General Accounting and Other Applications; Customer Accounting and System Design; Programming Techniques, Testing and

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* Mr. Britt also reported on the Pacific Light and Power Co. installation.

** Reported on the current status of the computer installation of the Arizona Public Service Co.

Debugging; Conversion Planning and Problems.

The panel-type discussions were led by utility representatives from companies who have had actual experience in the particular subjects. The informal nature of the discussions permitted delegates greater participation to obtain information and to discuss their individual problems and experiences. Each delegate had the opportunity to participate in up to four of the group discussions during the day.

### Members of Panel

The panel members who led the group discussions were: D. M. Cameron, American Gas and Electric Service Corp.; E. J. Knight, Baltimore Gas and Electric Co.; R. H. Johnson, Brooklyn Union Gas Co.; W. J. Ott, Mr. Mayer, The Cincinnati Gas & Electric Co.; R. A. Krauss, The Cleveland Electric Illuminating Co.; P. T. Harnack, J. E. Towle, Columbia Gas System Service Co.

Also, Gordon Claussen, Herbert Jacobson, E. T. Larkin, Commonwealth Edison Co.; William Hinckey, F. J. Porter, Jr., William Turner, Consolidated Edison Co. of N. Y., Inc.; K. Campbell, A. Conrad, E. D. Cowles, J. Mulkiten, D. Pizzimenti, H. J. Stewart, The Detroit Edison Co.; G. J. Schneider, General Public Utilities Corp.

Also, F. F. Beisel, R. R. Fortune, T. L. Masters, Pennsylvania Power and Light Co.; R. C. McCollum, Peoples Gas Light and Coke Co.; R. E. Harbaugh, Philadelphia Electric Co.; G. H. Harbison, J. F. Weiss, Philadelphia Gas Works; W. H. Caunt, Jr., E. T. White, Public Service Electric and Gas Co.; A. S. Reck, Union Electric Co.; R. E. Skogg, Wisconsin Electric Power Co.

Each group discussion was attended by approximately 50 people. The topics resulted in a lively interchange of information and ideas between the delegates and panel members. Some of the observations resulting from this discussion were:

A major problem is the selection, training and organization of personnel. It is imperative for people responsible for designing the computer procedure to understand the characteristics and techniques of computers as well as the details of the problem under study. It is felt that programmers should be selected almost exclusively from within the company. The programming group should be limited in number to insure control of activities.

Whenever possible, applicable tests should be used to help in selecting programmers. These should include personality tests, ability to handle figures, logical analysis tests, etc. The IBM Aptitude Test for Programmers was suggested as being helpful.

A programming group will be required on a permanent basis in any computer organization. Such a group will revise existing programs and develop new procedures.

It is important to insure the accuracy of the input data. A computer can process incorrect data as quickly as correct data. In addition to a strict control of input data, it was suggested that a spot check be made of output data to detect errors or unusual conditions which might reflect inaccurate input data.

In the majority of the cases company personnel, rather than outside consultants should be used to make feasibility studies or develop and program a computer procedure. It is easier to train company personnel in computer characteristics than to train outside computer specialists in company procedures and data characteristics.

### Automatic Programming Foreseen

Automatic programming will assist programmers in the future. As standardized routines are developed, they can be used by the machine to develop its own coding automatically in place of tedious manual programming. Programming will also be simplified with recent developments which permit writing the problem in English phrases which can be interpreted directly by the computer to write the program in its own code of instructions.

Considerable testing and debugging of programs will be required soon after using the program for actual operations. Prior to actual operations, the program may have been manually or desk debugged and machine debugged with test data. In actual operations, the greater amount of data processed always seems to result in unanticipated stops which require revisions in the program.

The use of medium-size computers has resulted in less equipment required, fewer employees, space saving, faster processing, and less cost.

The requirements of computers in certain data processing operations have permitted some companies to simplify their rate structures.

Equipment improvements, especially in the internal memory, permitted one company using a large computer for customers accounting to reduce its operating time from 24 hours daily to 12 hours daily. Improved programming will eventually reduce processing time to approximately 10 hours per day.

### New Developments Reported

New developments in electronic equipment were reported at a general session on Wednesday morning. The reports were presented by committee members who maintain contact with more than 20 manufacturers during the year. The reports on computer developments indicated that new systems will have increased memory capacity utilizing magnetic cores, and that internal speeds of operation will be considerably faster than present equipment.

Of special interest were the reports on electronic components designed for the input-output areas of an electronic data processing system. In addition to high speed printers, several manufacturers are designing devices which will automatically read and transcribe printed and coded data on source documents to punched cards or magnetic tape. One device will read printed characters, using an optical sensing technique, and convert the data into computer language. The data presently are recorded on punched cards, but ultimately will be recorded on tape or fed directly into a computer. Another machine can interpret previously recorded magnetic dots, to represent digits, and record the data on punched cards for further processing.

An output device will soon be marketed which, operating from magnetic tape, will print up to 13 lines of information on both sides of a bill form and punch up to 90 characters in the same form, in one operation. This operation permits the automatic reentry of the punched data into the

computer system in a subsequent operation.

It was also reported that a major manufacturer of electronic components will soon announce a moderately priced computer system designed for business data processing.

A progress report on the Harvard Research Project was made by W. J. Ott, The Cincinnati Gas & Electric Co., who is the EEI Chairman of the Electronic Research Steering Committee-Harvard Project. Mr. Ott pointed out that the project will not result in the suggested design of electronic accounting equipment as was originally contemplated. The principal reasons for this have been the difficulty in obtaining research personnel, and the complexity of the customers accounting problem. The project will probably be concluded about September, 1958.

### Harvard Project Results

One of the major results of the project to date is the very complete definition of the customers accounting function. Also, work is progressing satisfactorily on the analysis and evaluation of available electronic components which might be utilized in a utility accounting application. The emphasis in this area is on a random access memory as an integral part of the system rather than magnetic tape units. No one else has yet ventured in this direction. In this respect, the conclusions of the Harvard Project will probably be well ahead of the engineering techniques necessary to design equipment for economical applications.

It was pointed out that Progress Reports of the Research Project have been made available to 17 interested manufacturers of electronic data processing equipment. It is felt by the Steering Committee that the reports will encourage manufacturers to consider the design and development of equipment for the utility accounting problems.

### Peterson Closes Seminar

The chairman of the AGA Accounting Section, D. W. Peterson, Minneapolis Gas Co., closed the meeting with several pertinent comments. Of particular interest was his statement that efforts are now being made by both Associations to encourage the Operating and Engineering Sections to organize groups similar to the Electronic Accounting Machine Developments Committee. Cooperative effort by such committees would coordinate the data processing requirements of utilities and facilitate the encouragement of manufacturers to design and develop computers for specific application to utility data processing problems.

Mr. Peterson expressed the sincere thanks of the industry to the companies which so generously and frankly discussed their pioneering experiences in computer applications at the Seminar.

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## First Electricity Generated on a Test Basis at Shippingport Atomic Power Plant

ELECTRIC power was generated on a test basis on Dec. 18 for the first time at Shippingport Atomic Power Plant, the world's first full-scale atomic electric power plant devoted exclusively for peacetime uses, Duquesne Light Co. and the U. S. Atomic Energy Commission have announced.

At 7 a.m. on Dec. 18, the plant was producing 12,100 kilowatts and at 11 a.m. on Dec. 23, the Shippingport Atomic Power Plant was operating at full power, delivering 60,000 kw of electricity to the Duquesne Light Co. system in the Pittsburgh area. At its net power level of 60,000 kw, the Shippingport reactor was producing more electricity than any other individual reactor in existence in the world.

The plant is being operated by Duquesne under a contract with AEC which supplied the reactor for this commercial venture into the atomic energy power fields by an electric utility. Westinghouse Electric Corp., under contract to AEC, designed and developed the reactor, while Duquesne contributed toward the reactor portion of the plant and provided the site and turbine-generator for the Duquesne-AEC project.

In order to gain the knowledge which could only be obtained by building and operating a full-scale plant, the pressurized water type of reactor was chosen in 1953 as it was the only type at that time which was ready for use.

Philip A. Fleger, Duquesne board chairman, said, "The first generation of power at Shippingport marks another major advance toward the day of abundant, low-cost atomic power."

Mr. Fleger further stated that "We must bend every effort to hasten that day, as a lot of hard work remains to be done."


## Feb. 1 and Feb. 15

**Awards Contests Deadlines!**

**Because of the greatly simplified entry rules of the new EEI Sales Promotion Contests, many companies are preparing several entries covering their most successful sales promotions for 1957. This is the last reminder of the deadlines for these entries:**

**Feb. 1, 1958**

***Entries for the Farm and Industrial Sales Promotion Contests***

**Feb. 15, 1958**

***Entries for the Residential and Commercial Sales Promotion Contests***

**Send in those entries before the deadlines catch up with you!**

*Awards Committee*

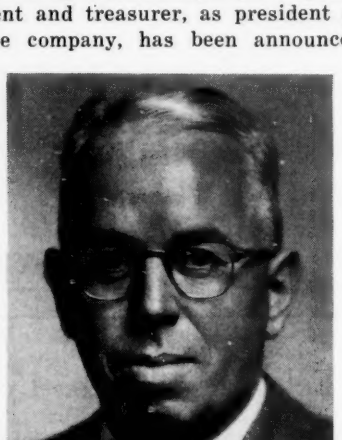
**Edison Electric Institute**

**420 Lexington Ave.**

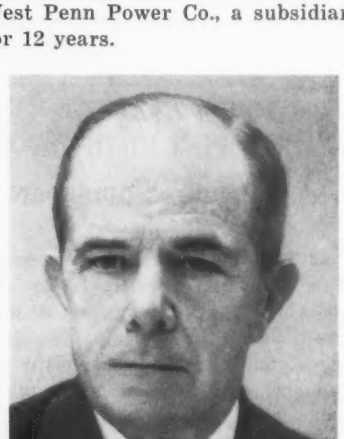
**New York 17, N. Y.**

# *Personals*

Election of three top executives, including **J. Lee Rice, Jr.,** vice president and treasurer, as president of the company, has been announced by West Penn Electric Co. Vice President **Harold F. Butler** assumed the new position of vice chairman of the board and **Marion G. Miller,** assistant vice president, becomes vice president.



J. LEE RICE, JR.



HAROLD F. BUTLER

**Earle S. Thompson,** who has been president, will continue as chairman of the board and as the chief executive officer of the company.

Mr. Rice will be chief administrative officer of the company. He has been a vice president since 1949. Before joining West Penn in 1944, he had gained utility experience with what is now the General Public Utilities Corp. Mr. Rice is a graduate of the University of Pennsylvania.

Mr. Butler, vice president of West Penn or a predecessor company since 1935, in his new capacity will continue to be concerned with broad general policy matters. Also a graduate of the University of Pennsylvania, and Pennsylvania State University, he was affiliated with the law firm of Sullivan & Cromwell before his association with West Penn's executive staff in 1935.

Mr. Miller has been assistant vice president of the utility since 1951. He joined the company 35 years ago after he was graduated from Pennsylvania State University. Before being named assistant vice president he had been assistant controller of West Penn Power Co., a subsidiary, for 12 years.

**Robert F. Krause** was elected president of the New England Power Co., wholesale subsidiary of New England Electric System. He was president of New England Power Service Co. Other promotions in NEES include: **Ralph E. Nock,** vice president-general manager, Narragansett Electric Co., to vice president of NEES; **Alfred V. Coleman,** vice president of NEES, to president of New England Power Service Co.; **Edward G. Twohey,** vice president, Narragansett Co., to vice president-general manager of Narragansett; and **C. W. Jones,** vice president, Narragansett, to vice president, New England Power.

Mr. Krause, a graduate of University of Arizona and University of Michigan Law School, has been president of NEP Service Co. since 1952. Mr. Nock, has been associated with utilities since 1912 and in 1946 was named vice president of NEP Service Co. and director of personnel administration of NEES and subsidiaries. Mr. Coleman, a graduate of Massachusetts Institute of Technology, has been in the utility field since 1915 and held executive posts in several NEES retail operating companies. He became assistant to the NEES president in 1950. Mr. Twohey, with more than 30 years' experience in utility management, was chief executive of the NEES gas division before joining Narragansett in 1956 as vice president. Mr. Jones, a graduate of Worcester Polytechnic Institute, with more than 25 years in utility management, was elected vice president of Narragansett in 1951. **John W. Gronbeck,** assistant safety manager of NEES, has been appointed safety manager, to succeed **Fred G. Harrison.** Mr. Gronbeck's former post has been assumed by **Clinton L. Pendleton.**

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**Alphonse H. Aymond, Jr.,** vice president and general counsel, Consumers Power Co., was elected executive vice president in charge of legal, accounting and gas matters. **Harold P. Graves,** general attorney for the company, succeeds Mr. Aymond as general counsel. **Robert P. Briggs** continues as executive vice president in charge of corporate, financial and related matters.

**Birum G. Campbell,** division manager at Kalamazoo, was elected vice president in charge of sales and business promotion and **John B. Simpson,** general supervisor of gas operations, was elected vice president in charge of gas operations.

**Roland A. Lamley,** general supervisor of electric production and transmission, becomes manager of electric generation and system operations and **Charles D. Malloch,** electric and general operations supervisor, becomes manager of electric lines, substations and general services.

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**Charles F. Avila,** vice president-engineering and construction, Boston Edison Co., has been named vice president and assistant general manager, and **George A. Orrok,** superintendent of engineering and construction, has been made vice president of engineering and construction, succeeding Mr. Avila. **Thomas J. Galligan, Jr.,** has been promoted to assistant to the president and **R. M. Kelmon** to assistant treasurer.

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**Bryan Bell Marsh,** division manager of Alabama Power Co.'s Southern division, recently was elected division vice president, succeeding **A. S. Coleman,** retired. Mr. Marsh joined Alabama Power in 1923, im-

mediately after receiving a degree in electrical engineering from Alabama Polytechnic Institute. He began his utility career as an apprentice engineer at Montgomery. He served successively as assistant division superintendent, division superintendent, district manager, assistant division manager and in 1946 was made division manager.

Also at Alabama Power, **C. T. Brasfield, Jr.,** executive engineer since 1954, was named manager of employee relations. He has been employed by the utility since 1924. **Leon B. Murray,** superintendent of transmission, was promoted to assistant manager of transmission and distribution, succeeding the late **L. C. Flourney; Alan R. Barton, Jr.,** superintendent of miscellaneous operations, succeeds Mr. Murray as superintendent of transmission; **R. T. Garlington,** assistant superintendent of distribution, becomes superintendent of miscellaneous operations; and **C. C. Strozier,** senior engineer in the distribution department, was advanced to assistant superintendent of distribution.

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**Wilmot O. Smith,** electric operating manager, Long Island Lighting Co., has been elected vice president in charge of the utility's gas and electric sales. Associated with the utility since 1923 when he joined the electric operating department, he was made assistant vice president and electric operating manager in 1953.

In another promotion, **Charles E. Elbert,** secretary, was given additional responsibilities as assistant to President **John J. Tuohy.**

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**Hugh M. Parker,** treasurer of Central Illinois Public Service Co., was elected vice president in charge of finance, and secretary of the company, succeeding **R. B. Tulpin** who has retired after 44 years with the utility. **George R. Cook,** assistant treasurer, succeeds Mr. Parker as treasurer and assistant secretary. Also, **Ralph E. Lindner,** internal auditor, was named an assistant treasurer.

Mr. Parker joined CIPS as a bookkeeper in 1919 and was transferred to the general office the following year. He was named traveling auditor, Southern division auditor, assistant treasurer and in 1939 became treasurer. Mr. Tulpin was elected auditor and secretary in 1932 and vice president in 1944. He will continue as a board member. Mr. Cook joined the company in 1929 after receiving a degree in business administration from the University of Illinois. He was elected assistant treasurer in 1951. Mr. Lindner joined the utility in 1929 after attending the University of Illinois College of Commerce.

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Three new assignments of executives have been announced by Kansas City Power & Light Co.: **Robert A. Olson,** vice president and treasurer, becomes secretary, succeeding **Robert H. Busler; Kenneth G. Hovland,** assistant treasurer, becomes treasurer and assistant secretary; and **Michael Seltzer,** tax attorney, becomes assistant secretary and assistant treasurer.

Mr. Olson first served as secretary when he joined the company in 1947, and later was appointed to additional duties as treasurer, vice president and member of the board of directors. He is a graduate of the University of Iowa with a law degree.

Mr. Hovland, a graduate of the University of Wisconsin, has been associated with the company since 1947 when he became assistant controller. He was promoted in 1955 to assistant treasurer.

Mr. Seltzer, a graduate of the Washburn University Law School, joined the utility in March, 1957. He worked as an attorney for the U. S. Internal Revenue Service, and later as a partner in the law firm of Spencer, Fane, Britt & Browne.

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**Alex Rogers,** controller and secretary of Mississippi Power & Light Co., has been elected vice president and secretary of the company. Under his new title, Mr. Rogers will continue the same duties he has performed since January, 1955, when he was named controller and secretary. With MP&L 23 years, he has been manager of rates and economic research, executive assistant, district manager, assistant division manager and budget director. He is a member of the EEI Financing and Investor Relations Committee.

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Southern California Edison Co. recently announced the election of **T. M. McDaniel, Jr.,** chief of the organization and procedures staff, as vice president, and **Bruce Renwick,** vice president and general counsel, as vice president and senior counsel. **Rollin E. Woodbury** was elevated from assistant general counsel to general counsel.

Mr. McDaniel has been with the company since 1956. A 1937 graduate of Stanford University, he previously was a member of Arthur Anderson & Co., accounting firm. Mr. Renwick has been VP-general counsel since 1955. He started as an assistant counsel with the utility in 1942.

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**Raymond D. Maxson** on April 1 will relinquish his duties as senior vice president, Commonwealth Edison Co., to become senior consulting engineer to the utility and to Sargent and Lundy, engineering firm. Mr. Maxson, who has been in charge of the Dresden nuclear power station now being built, will concentrate on atomic power.

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**M. L. Kapp,** president of Interstate Power Co., has been elected to the position of senior officer of the Dubuque, Iowa, utility. He assumes the duties of the post left vacant by the recent death of **B. F. Pickard,** former chairman of the board. The post of chairman has been consolidated with that of president. In addition, **C. A. Hummel,** executive vice president and second senior officer of the company, was elected a member of the utility's Finance Committee.

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**W. B. "Bill" Welge,** accounting department field auditor of Southern Indiana Gas and Electric Co., was recently named purchasing agent for the company, succeeding **F. E. Thompson,** retired. **A. P. Tirmenstein,** construction materials buyer, becomes assistant purchasing agent. Mr. Welge, with the company 28 years, has completed several courses in purchasing practice at the Evansville College Center for Advanced Education. Mr. Tirmenstein, a graduate of Evansville College, has been with the company eight years.

**I. S. Stewart,** secretary of Kansas Power and Light Co., ended a career of nearly 45 years with the utility, its parent company, and predecessor companies, when he retired recently. He joined the Illinois Traction Co. in Peoria, Ill., in 1913 as a stenographer. In 1928, Mr. Stewart became assistant to KP&L's president. He was appointed secretary in 1942.

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**Joseph F. Farley** recently was elected comptroller of New York State Electric & Gas Corp. He had been assistant comptroller since 1945, and succeeds **H. C. Fleck,** retired. Mr. Farley joined the then Queens County Water Co., now the Long Island Water Co., as an office boy and meter reader in 1916. In 13 years he advanced to chief of the accounting department. He became associated with NYSE&G in Ithaca in 1929 as a reports division employee. He was appointed assistant comptroller in 1945. Mr. Fleck, a graduate of the University of Nebraska, went to Ithaca in 1939 with NYSE&G from New York, where he had been specializing in regulatory accounting matters including the merger of approximately 100 companies into NYSE&G.

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Southern Electric Generating Co. has announced the appointment of **Andrew E. Burnett** as operating manager of the company. His new responsibilities will center on the 1,000-mw steam plant being constructed near Wilsonville, Ala. Power output from the plant will be purchased in equal amounts by Alabama Power Co. and Georgia Power Co., joint owners of SEGC. Mr. Burnett, after graduating from Alabama Polytechnic Institute, joined Alabama Power Co. in 1930.

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**R. E. Phenicie** has been appointed personnel director and **A. H. Schaars** personnel administrator, Wisconsin Public Service Corp., following retirement Dec. 31, 1957, of **C. B. Boulet,** vice president-personnel. Both Mr. Phenicie and Mr. Schaars are long-time members of the utility's personnel department. Mr. Phenicie, after graduating from Lawrence College, attended the University of Wisconsin. He joined WPS in 1933 and has spent most of his time in the personnel department at Green Bay. Following his graduation from the University of Wisconsin in 1928, Mr. Schaars joined WPS as an accountant. Both have served on EEI committees.

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**Louis C. Provencher,** assistant secretary of The Detroit Edison Co., retired Jan. 1 after more than 39 years of service. Former chairman of EEI's General Accounting Committee and a former member of the Institute's Application of Accounting Principles Committee, he joined the company in 1918. Eighteen months later he became chief of the accounting group. In 1949 he was appointed assistant secretary and supervisor of general accounting by the Detroit Edison board. He relinquished his assignment as supervisor of general accounting in 1952 when his duties as assistant secretary were expanded.

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**Dave Knight,** former Pudget Sound Power & Light Co. representative on the Inter-company Pool staff in Spokane, Wash., has been selected to fill the new position of supervisor of system operations for PSP&L. He will be in charge of daily power supply operations and of following the progress of current power construction projects in the area.

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**E. Leslie Huse,** Central division sales manager for Jersey Central Power & Light Co., has been promoted to assistant manager of rates and research for Jersey Central Power & Light Co.-New Jersey Power & Light Co. He joined JCP&L in 1935 as a lighting representative in the former Central division headquarters. Mr. Huse, who received a master of science degree in electrical engineering from the Massachusetts Institute of Technology, has been Central division sales manager since 1954.

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## Communications—Internal

(*Continued from page* 16)

grams in your smaller offices at night for employees and their wives? We do and find that they love it.

Do you have a home service section in your company's employee magazine? Many company magazines do have such a column or page, edited by the home service department. In our case, our magazine, *The Communicator,* does not have a specific home service column but carries photos and stories of home service activities regularly. The girls have good "noses for news" and are cooperative about having photos made and sending in stories about their activities.

How many who make home calls give a brief written report to the local manager and sales or service manager, telling them what you found on each call? These reports are impressive, tangible evidence in the manager's files, showing what you are doing for *him.*

Do you sit down and talk with the local manager, the servicemen or others who may be interested, about what you have seen and heard in the course of your contact with the public? If not, you are missing a chance to bring them into the act.

Recently I read with interest a paragraph in one Division Manager's Monthly Report letters to our general manager.

He wrote: "Home Service Adviser Mary Doe, in cooperation with our division sales manager, held several demonstrations for different schools. In addition, Miss Doe made home calls on a number of our customers, work that we appreciate very much, not only because it is helpful to our customers in utilizing their appliances but because it gives me a better insight into the attitude of these customers toward our company."

There we have middle management plugging home service work to top management. The particular Mary Doe mentioned in the letter, incidentally, makes written as well as verbal reports on her activities to both division and local managers.

I have heard executives and supervisors say more than once: "Don't these home service girls ever do anything but go to meetings?"

Let's tell them that what we saw and heard was useful and rewarding. Let's tell them why this workshop has made it possible for us to do a better job during the months ahead.

Let's put it in writing . . . simply, concisely, sincerely. Let's do it immediately when we get home, while our own interest and enthusiasm are still running high enough to be contagious.

# EDISON ELECTRIC INSTITUTE OFFICERS AND COMMITTEES

## OFFICERS

J. W. McAfee, *President* ..... Union Electric Co., St. Louis, Mo.
J. E. Corette, *Vice President* ..... The Montana Power Co., Butte, Mont.
Edwin Vennard, *Vice President and Managing Director* ..... 420 Lexington Ave., New York, N. Y.
H. S. Sutton, *Treasurer* ..... Consolidated Edison Co. of New York, Inc., New York, N. Y.
A. B. Morgan, *Secretary and Assistant Managing Director* ..... 420 Lexington Ave., New York, N. Y.

## BOARD OF DIRECTORS

(*Terms expiring 1958*)

J. L. Bates ..... Central Power and Light Co., Corpus Christi, Texas
A. M. Beebee ..... Rochester Gas and Electric Corp., Rochester, N. Y.
F. D. Campbell ..... Cambridge Electric Light Co., Cambridge, Mass.
C. B. Delafield ..... Consolidated Edison Co. of New York, Inc., New York, N. Y.
R. Roy Dunn ..... Potomac Electric Power Co., Washington, D. C.
R. H. Gerdes ..... Pacific Gas and Electric Co., San Francisco, Calif.
N. B. Gussett ..... Iowa Power and Light Co., Des Moines, Iowa
E. L. Lindseth ..... The Cleveland Electric Illuminating Co., Cleveland, Ohio
D. C. Luce ..... Public Service Electric and Gas Co., Newark, N. J.
M. S. Luthringer ..... Central Illinois Public Service Co., Springfield, Ill.
C. E. Oakes ..... Pennsylvania Power & Light Co., Allentown, Pa.
H. T. Pritchard ..... Indianapolis Power & Light Co., Indianapolis, Ind.
K. M. Robinson ..... The Washington Water Power Co., Spokane, Wash.
L. M. Smith ..... Alabama Power Co., Birmingham, Ala.
Harold Turner ..... American Gas and Electric Service Corp., New York, N. Y.

(*Terms expiring 1959*)

H. J. Cadwell ..... Western Massachusetts Electric Co., Greenfield, Mass.
Stuart Cooper ..... Delaware Power & Light Co., Wilmington, Del.
Carl J. Forsberg ..... Wisconsin Power and Light Co., Madison, Wis.
Allen S. King ..... Northern States Power Co., Minneapolis, Minn.
C. E. Kohlhepp ..... Jersey Central Power & Light Co., Asbury Park, N. J.
C. R. Landrigan ..... The Detroit Edison Co., Detroit, Mich.
J. E. Loiseau ..... Public Service Co. of Colorado, Denver, Colo.
Earle J. Machold ..... Niagara Mohawk Power Corp., Syracuse, N. Y.
D. C. McKee ..... The Empire District Electric Co., Joplin, Mo.
P. H. Powers ..... West Penn Power Co., Greensburg, Pa.
R. G. Rincliffe ..... Philadelphia Electric Co., Philadelphia, Pa.
R. E. Ritchie ..... Arkansas Power & Light Co., Little Rock, Ark.
W. H. Sammis ..... Ohio Edison Co., Akron, Ohio
J. R. Welsh ..... Southwestern Gas and Electric Co., Shreveport, La.
Erwin H. Will ..... Virginia Electric and Power Co., Richmond, Va.

(*Terms expiring 1960*)

W. C. Beckjord ..... The Cincinnati Gas & Electric Co., Cincinnati, Ohio
W. C. Bell ..... The United Illuminating Co., New Haven, Conn.
N. A. Cocke ..... Duke Power Co., Charlotte, N. C.
J. F. Davenport ..... Southern California Edison Co., Los Angeles, Calif.
T. W. Delzell ..... Portland General Electric Co., Portland, Ore.
G. S. Dinwiddie ..... New Orleans Public Service Inc., New Orleans, La.
Willis Gale ..... Commonwealth Edison Co., Chicago, Ill.
M. L. Kapp ..... Interstate Power Co., Dubuque, Iowa
W. T. Lucking ..... Arizona Public Service Co., Phoenix, Ariz.
W. W. Lynch ..... Texas Power & Light Co., Dallas, Texas
L. C. McClurkin ..... Savannah Electric and Power Co., Savannah, Ga.
J. J. McDonough ..... Georgia Power Co., Atlanta, Ga.
A. R. Schiller ..... Public Service Co. of New Hampshire, Manchester, N. H.
G. W. Van Derzee ..... Wisconsin Electric Power Co., Milwaukee, Wis.
J. Theodore Wolfe ..... Baltimore Gas and Electric Co., Baltimore, Md.

***Executive Committee***

*C. B. Delafield, R. R. Dunn, A. S. King, E. L. Lindseth, C. E. Oakes, R. G. Rincliffe*
*K. M. Robinson, W. H. Sammis, G. W. Van Derzee*

# EDISON ELECTRIC INSTITUTE OFFICERS AND COMMITTEES

## ADVISORY COMMITTEE 1957-1958

D. C. BARNES.....Virginia Electric and Power Co.
A. D. BARNEY.....The Hartford Electric Light Co.
J. B. BLACK.....Pacific Gas and Electric Co.
HARLLEE BRANCH, JR.....The Southern Co.
W. L. CISLER.....The Detroit Edison Co.
C. P. CRANE.....Baltimore Gas and Electric Co.
T. G. DIGNAN.....Boston Edison Co.
EDGAR H. DIXON.....Middle South Utilities, Inc.
PHILIP A. FLEGER.....Duquesne Light Co.
GEORGE M. GADSBY.....Utah Power & Light Co.
D. E. KARN.....Consumers Power Co.
GEORGE L. MACGREGOR.....Texas Utilities Co.
LYLE MCDONALD....Public Service Electric and Gas Co
PAUL B. MCKEE.....Pacific Power & Light Co
I. L. MOORE.....New England Electric System
W. C. MULLENDORE.....Southern California Edison Co
GROVER C. NEFF.....Wisconsin Power and Light Co
J. S. OSBORNE.....Central & South West Corp
PHILIP SPORN.....American Gas and Electric Co
L. V. SUTTON.....Carolina Power & Light Co
FRANK M. TAIT.....The Dayton Power and Light Co
J. B. THOMAS.....Texas Electric Service Co
E. S. THOMPSON....The West Penn Electric Co. (Inc.)
ALLEN VAN WYCK.....Illinois Power Co

## CHAIRMEN OF EDISON ELECTRIC INSTITUTE COMMITTEES (1957-1958)

### ACCOUNTING

*Accounting Division Executive*, J. D. ELLIOTT.....The Detroit Edison Co., Detroit, Mich
*Coordinator of Customer Activities Group*, C. J. BERNER.....Wisconsin Electric Power Co., Milwaukee, Wis
*Customer Accounting*, M. F. YOUNG.....The Connecticut Light & Power Co., Hartford, Conn
*Customer Collections*, J. E. HEVRON.....New Orleans Public Service Inc., New Orleans, La
*Customer Relations*, H. R. POTTS.....Columbus and Southern Ohio Electric Co., Columbus, Ohi
*Coordinator of General Activities Group*, P. R. LAWSON.....Pennsylvania Electric Co., Johnstown, Pa
*Depreciation Accounting*, O. E. SMITH.....Baltimore Gas and Electric Co., Baltimore, Md
*General Accounting*, G. F. JONES.....Potomac Electric Power Co. Washington, D. C
*Internal Auditing*, R. B. TRITTON.....The Cleveland Electric Illuminating Co., Cleveland, Ohi
*Plant Accounting and Property Records*, G. A. BROWNMILLER.....The Connecticut Light & Power Co., Hartford, Conn
*Taxation Accounting*, C. E. YORK.....The Cincinnati Gas & Electric Co., Cincinnati, Ohi
*Coordinator of Special Activities Group*, C. T. DWIGHT.....The Hartford Electric Light Co., Hartford, Conn
*Accounting Developments Service*, A. H. KERN.....Alabama Power Co., Birmingham, Ala
*Accounting Employee Relations*, J. J. LEARY.....Boston Edison Co., Boston, Mass
*Application of Accounting Principles*, V. A. KOS.....Commonwealth Edison Co., Chicago, Ill
*Electronic Accounting Machine Developments*, R. W. BRITT.....Wisconsin Electric Power Co., Milwaukee, Wis
*Uniform System of Accounts*, R. G. SCHNEIDER.....Virginia Electric and Power Co., Richmond, Va

### COMMERCIAL

*Commercial Division Executive*, T. O. MCQUISTON.....Metropolitan Edison Co., Reading, Pa
*Commercial Sales Group*, R. I. BULL.....Ohio Power Co., Canton, Ohi
*Farm Group*, M. O. WHITHED.....Atlantic City Electric Co., Atlantic City, N. J
*Industrial Power & Heating Group*, F. E. WIATT.....The Cincinnati Gas & Electric Co., Cincinnati, Ohi
*Residential Group*, ROBERT L. COE.....Union Electric Co., St. Louis, Mo
*Special Services Group*, B. L. PALM.....Central Illinois Public Service Co., Springfield, Ill

### ENGINEERING

*Engineering & Operating Division Executive*, C. W. FRANKLIN....Consolidated Edison Co. of N. Y., Inc., New York, N. Y
*Electrical System & Equipment*, H. E. DEARDORFF.....The Dayton Power and Light Co., Dayton, Ohi
*Hydraulic Power*, E. S. HARRISON.....Georgia Power Co., Atlanta, Ga
*Meter & Service*, FLOYD SALMON.....Central Power and Light Co., Corpus Christi, Texa
*Prime Movers*, V. L. STONE.....Commonwealth Edison Co., Chicago, Ill
*Transmission & Distribution*, W. M. PENNEY.....Union Electric Co., St. Louis, Mo

### GENERAL

*General Division Executive*, J. W. MCAFEE.....Union Electric Co., St. Louis, Mo
*Accident Prevention*, I. R. DOHR.....Consumers Power Co., Jackson, Mich
*Area Development*, S. F. MCGOWAN.....Northern States Power Co., Minneapolis, Minn
*Atomic Power*, E. L. LINDSETH.....The Cleveland Electric Illuminating Co., Cleveland, Ohi
*Awards*, M. C. ALBRITTAIN.....Baltimore Gas and Electric Co., Baltimore, Md.
*Electric Power Survey*, ARTHUR S. GRISWOLD.....The Detroit Edison Co., Detroit, Mich
*Financing & Investor Relations*, PAUL HALLINGBY, JR. .....Middle South Utilities, Inc., New York, N. Y.
*Industrial Relations*, E. J. BRILL.....Pennsylvania Power & Light Co., Allentown, Pa.
*Insurance*, D. E. WILLIAMS.....The Cleveland Electric Illuminating Co., Cleveland, Ohi
*Legal*, J. M. KEEGAN.....Consolidated Edison Co. of New York, Inc., New York, N. Y.
*Membership*, E. S. THOMPSON.....The West Penn Electric Co. (Inc.), New York, N. Y.
*Purchasing and Stores*, T. S. DUNSTAN.....Consolidated Edison Co. of New York, Inc., New York, N. Y.
*Rate Research*, L. W. FRANK.....Western Massachusetts Electric Co., Springfield, Mass.
*Regulation*, C. E. KOHLHEPP.....New Jersey Power & Light Co., Denville, N. J.
*Research Projects*, E. H. SNYDER.....Public Service Electric and Gas Co., Newark, N. J.
*Statistical*, A. E. BUSH.....The Detroit Edison Co., Detroit, Mich.
*Tax Policy*, C. B. MCMANUS.....The Southern Co., Atlanta, Ga.
*Technical Assistance for Overseas Visitors*, HARVEY BUMGARDNER.....The Detroit Edison Co., Detroit, Mich.
*Transportation*, R. E. HAMEL.....The Cleveland Electric Illuminating Co., Cleveland, Ohio

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